

1 UNITED STATES DISTRICT COURT
2 FOR THE NORTHERN DISTRICT OF OHIO
3 EASTERN DIVISION

4 IN RE: NATIONAL) MDL No. 2804
5 PRESCRIPTION OPIATE)
6 LITIGATION,) Case No.
7) 1:17-MD-2804
8)
9 THIS DOCUMENT RELATES TO) Hon. Dan A.
10 ALL CASES) Polster
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— — —

1	I N D E X		
2			
3	JOLYNN COLEMAN		PAGE
4	DIRECT EXAMINATION BY MR. ECKLUND		9
5	CROSS EXAMINATION BY MR. CARTER		366
6	REDIRECT EXAMINATION BY MR. ECKLUND		372
7	E X H I B I T S		
8	No.	Description	Page
9	Walmart	NACDS Appointment	25
10	Coleman	Schedule.	
11	Exhibit 1	ENDO_OPIOID_MDL-04920265 through 04920270.	
12	Walmart	July 2017 email chain.	30
13	Coleman	Subj: RE: Relay	
14	Exhibit 2	Health/Walmart Top to Top. MCKMDL00650092-650094.	
15	Walmart	8-31-07 letter from	151
16	Coleman	Mallinckrodt to Jo Lynn	
17	Exhibit 3	Coleman, R. Ph. MNK-T1-0004758254-4758260.	
18	Walmart	11-3-06 letter from	168
19	Coleman	Mallinckrodt to David	
20	Exhibit 4	Badeen, R. Ph. MNK-T1-0000367627-367629.	
21	Walmart	5-2-07 letter from	178
22	Coleman	Mallinckrodt to Jo Lynn	
23	Exhibit 5	Coleman, R. Ph. MNK-T1-0000367674-367675.	
24	Walmart	9-17-10 letter from	187
25	Coleman	Mallinckrodt to Jo Lynn	
	Exhibit 6	Coleman, R. Ph. MNK-T1-0000367655-376657.	
	Walmart	11-14-07 letter from	196
	Coleman	Mallinckrodt to Jo Lynn	
	Exhibit 7	Coleman, R. Ph. MNK-T1-000036766-376666.	

1	Walmart	12-4-07 letter from	204
2	Coleman	Mallinckrodt to Jo Lynn	
3	Exhibit 8	Coleman, R. Ph.	
		MNK-T1-0000367648-367651.	
4	Walmart	12-14-07 letter from	213
5	Coleman	Mallinckrodt to Jo Lynn	
6	Exhibit 9	Coleman, R. Ph.	
		MNK-T1-0000367691-367692.	
7	Walmart	Humana Walmart PowerPoint	232
8	Coleman	deck.	
9	Exhibit 10		
10	Walmart	3-31-10 Endo letters.	265
11	Coleman	ENDO-OPIOID_MDL-04183970	
12	Exhibit 11	through 4183972.	
13	Walmart	1-27-10 email with	269
14	Coleman	attached 1-29-10 ENDO	
15	Exhibit 12	letters.	
		ENDO-OPIOID_MDL-02380063	
16		through 2380065.	
17	Walmart	1-7-11 email with attached	272
18	Coleman	1-7-11 ENDO letters.	
19	Exhibit 13	ENDO-OPIOID_MDL-02384297	
		through 2384299.	
20	Walmart	1-3-12 email with attached	272
21	Coleman	1-3-12 ENDO letters.	
22	Exhibit 14	ENDO-OPIOID_MDL-02389777	
23		through 2389779.	
24	Walmart	12-28-06 email with	287
25	Coleman	12-27-06 Ethex letter	
	Exhibit 15	attachment.	
		WMT_MDL_000038419-38420.	
26	Walmart	3-2-10 FBI article titled	288
27	Coleman	Ethex Corporation, a	
28	Exhibit 16	Subsidiary of KV	
29		Pharmaceutical, Pleads	
30		Guilty to two Felonies and	
31		Agrees to Pay United	
32		States \$27,568,921 for	
33		Fine, Restitution, and	
34		Forfeiture.	

1	Walmart Removing Costs from the	296
	Coleman Health Care Supply Chain:	
2	Exhibit 17 Lessons from Mass Retail.	
3		
4		
5		
6	REPORTER'S CERTIFICATE	376
	ERRATA	378
7	WITNESS SIGNATURE PAGE	379
	ATTORNEY NOTES	380
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 PROCEEDINGS

2 (December 13, 2018 at 8:17 a.m.)

3 THE VIDEOGRAPHER: We are now

4 on the record. My name is

5 James Arndt. I'm the videographer

6 from Golkow Litigation Services.

7 Today's date is December 13, 2018, and

8 the time is 8:18 a.m. This video

9 deposition is being held in Rodgers,

10 Arkansas in the matter of the National

11 Prescription Opiate Litigation for the

12 United States District Court for the

13 Northern District of Ohio, Eastern

14 Division. The deponent is

15 JoLynn Coleman. Will counsel please

16 identify themselves.

17 MR. ECKLUND: Good morning.

18 Don Ecklund from the law firm Carella

19 Byrne on behalf of plaintiffs in the

20 MDL.

21 MR. INNES: Good morning.

22 Michael Innes on behalf of plaintiffs

23 in the MDL.

24 MR. CARTER: Edward Carter,

25 Jones Day on behalf of Walmart and the

1 witness. Also with me are
2 Christine Prorok from Jones Day, and
3 Paul Morris from Walmart.

4 MR. FAIRLEY: Carter Fairley
5 for Cardinal Health.

6 MR. VO: Caley Vo on behalf of
7 McKesson.

8 THE VIDEOGRAPHER: Will counsel
9 on the phone please identify
10 themselves?

11 MS. NOWAK: Darlene Nowak from
12 Marcus & Shapira for HBC Services.

13 MR. LADD: Matthew Ladd of
14 Morgan Lewis & Bockius on behalf of
15 defendant Rite Aid.

16 MR. WATTS: Ryan Watts from
17 Arnold & Porter Kaye Scholer, LLP on
18 behalf of Endo Health Solutions Inc.,
19 Endo Pharmaceuticals Inc., Par
20 Pharmaceutical, Inc., and Par
21 Pharmaceutical Companies, Inc.

22 VIDEOGRAPHER: The court
23 reporter is Debbie Dibble. She will
24 now swear in the witness.

25 JOLYNN COLEMAN,

1 having first been duly sworn, was examined
2 and testified as follows:

3

4 DIRECT EXAMINATION

5 BY MR. ECKLUND:

6 Q. Good morning, Ms. Coleman. As
7 I introduced myself this morning, my name is
8 Don Ecklund, and I represent the plaintiffs
9 in this multidistrict litigation which is
10 currently pending in the Northern District of
11 Ohio. Moments ago you took an oath. It is
12 the same oath you would take in court.

13 Do you understand that
14 everything you say here today needs to be the
15 truth and you need to testify as completely
16 and fully as you can?

17 Do you understand that?

18 A. Yes.

19 Q. Have you ever been deposed
20 before?

21 A. Yes.

22 Q. How many times?

23 A. Twice.

24 Q. Were those in your professional
25 capacity or were those personal matters?

1 A. Professional.

2 Q. Can you describe those two
3 matters?

4 A. One was a litigation around a
5 hire, practice of hiring an associate, and
6 others was specific to an immunization
7 program that I oversee, support.

8 Q. Did you testify at trial for
9 the HR matter?

10 A. No.

11 Q. Did you testify at trial for
12 the immunization matter?

13 A. No.

14 Q. Is the immunization matter
15 still pending?

16 A. Yes.

17 Q. Federal court or state court?

18 A. I'm uncertain.

19 Q. So you've generally been
20 deposed twice and you've gotten some sense of
21 how the process works. Today I'll be asking
22 you a series of questions. You'll be
23 answering those questions. And we'll try to
24 keep it a fairly swift conversation.
25 Everyone is trying to catch flights today.

1 If we can try to maintain some breaks between
2 my questions and your answers, that will help
3 the court reporter who is trying to keep up
4 with us and get a complete and clean
5 transcript.

6 Do you understand she's typing
7 everything you say?

8 A. Yes, sir.

9 Q. Okay. Great.

10 Importantly, she can't take
11 down shrugs of the shoulders, utterances,
12 "uh-huh," and "huh-uhs," headshakes. So
13 please answer verbally. Even though we do
14 have a video, everyone is going to be relying
15 on the transcript that she's taking today.

16 Do you understand that?

17 A. Yes.

18 Q. Your counsel has probably also
19 gone over this as well, but if you can pause
20 between the questions to allow him an
21 opportunity to interpose any objections he
22 may have, that would be, I'm sure,
23 appreciated by him. And unless he instructs
24 you not to answer a question, you should
25 answer the question after he's interposed the

1 objection unless you don't understand my
2 question.

3 Do you understand that?

4 A. Yes.

5 Q. Okay. If you don't hear me,
6 let me know. If you don't understand a
7 question, let me know that. I'll try to
8 change the question; maybe I'll try to
9 explain myself. Okay?

10 A. Okay.

11 Q. If you answer, I'm going to
12 assume you understood the question. Is that
13 fair?

14 A. Yes.

15 Q. If at any time you need to take
16 a break during the deposition, please let me
17 know. Now, we may finish the line of
18 questioning, but I'll try to accommodate you
19 as best as I can.

20 If you need to stretch your
21 legs, you need to stand up, feel free. We
22 don't need to take a break for that. Okay?
23 If you need a glass of water, please ask
24 someone. There are several people in the
25 room who would be happy to get you one.

1 Okay?

2 A. Okay.

3 Q. If at any point in the
4 deposition you need a document in order to
5 answer a question because you can't recall
6 it, I'd like you to try and tell me about the
7 document, describe the document. There is a
8 chance we might have it in this box. There's
9 a chance that someone else might be able to
10 arrange for it to be provided to you during a
11 break. Okay?

12 A. Okay.

13 Q. And as you see, I have a
14 computer in front of me, so if there's an
15 electronic file that you think you may need,
16 chances are I can probably accommodate you on
17 that as well. We can put it up on the ELMO.
18 We can put it up on the screen. So if
19 there's an Excel, an Access database or
20 anything else you think you may need, you let
21 us know and we'll try to get it for you.
22 Okay?

23 A. Okay.

24 Q. If you don't recall the answer
25 to a question or can't remember the answer,

1 just say so. It's important, though, that
2 you remember, you need to try and testify as
3 completely and fully as you can. Okay?

4 Will you agree to that?

5 A. Yes.

6 Q. Is there anything that would
7 prevent you from thinking clearly today?

8 A. No.

9 Q. No medical conditions.
10 Anything that would prevent you from
11 testifying truthfully today?

12 A. No.

13 Q. And there's nothing that would
14 prevent you from talking and testifying
15 completely today?

16 A. No.

17 Q. What did you do generally to
18 prepare for your deposition today?

19 A. Met with Walmart legal
20 representatives for roughly about two days.

21 Q. And when you say "two days," do
22 you mean you met on two separate days for a
23 few hours each day, or do you mean --

24 A. Yes.

25 Q. -- you met for two solid days?

1 A. Two days, about six to eight
2 hours.

3 Q. Six to eight hours each day?

4 A. Six to eight, yes.

5 Q. Okay. Where did those meetings
6 take place?

7 A. At Walmart.

8 Q. Did you have any telephonic
9 meetings with Walmart's counsel --

10 A. No.

11 Q. -- prior to those meetings?

12 Did you receive any video
13 training materials or anything else you
14 needed to review, gave you some ground rules
15 on depositions?

16 A. No.

17 Q. Okay. Aside from materials
18 that your counsel may have provided you, did
19 you review any materials in your files to
20 prepare for your deposition here today?

21 A. No.

22 Q. When did you graduate high
23 school?

24 A. '81.

25 Q. What did you do after high

1 school?

2 A. Went to college.

3 Q. Where did you go?

4 A. First I went to Summit Junior
5 College and played basketball for a year, and
6 then went to the University of Louisiana at
7 Monroe after that first year and started --
8 decided I wanted to go to pharmacy school.
9 So I completed the BS at pharmacy school at
10 Northeast and graduated in '86.

11 Q. Okay. So you initially went to
12 Summit Junior College, played basketball for
13 one year. You then transferred to Louisiana
14 Monroe, and you were there for one year?

15 A. I was there for the remainder,
16 until I graduated as a pharmacist.

17 Q. Okay. So you completed your
18 degree in pharmacy at Louisiana at Monroe?

19 A. Yes.

20 Q. And you're a -- what type of
21 pharmaceutical degree do you have?

22 A. I have a BS.

23 Q. BS. Do you have any
24 licensures?

25 A. I have a licensure in Louisiana

1 and Missouri, and in Texas.

2 Q. Okay. You graduated in 1986.

3 Have you gone back to graduate school?

4 A. I have not.

5 Q. Any certifications?

6 A. No.

7 Q. Additional training?

8 A. No.

9 Q. What did you do between 1986
10 and 1987?

11 A. I worked for K&B, which was a
12 regional chain in New Orleans, Louisiana, for
13 a year as a pharmacist.

14 Q. And how long did you stay at
15 K&B?

16 A. Right about a year.

17 Q. And what did you do then?

18 A. Moved -- transferred, and an
19 opportunity came up for a Walmart in my
20 hometown where I grew up, and I opened up a
21 pharmacy there for Walmart.

22 Q. So you joined Walmart in 1987?

23 A. Yes.

24 Q. And have you continued to work
25 for Walmart since 1987?

1 A. Yes, I have.

2 Q. You said you opened up a
3 pharmacy for Walmart.

4 Were you a dispensing
5 pharmacist?

6 A. Yes, I was.

7 Q. And how long were you a
8 dispensing pharmacist for Walmart?

9 A. Right about ten years.

10 Q. So approximately 1987 to 1997?

11 A. Approximately.

12 Q. What did you do after 1997?

13 A. Went into a market director
14 role, which was more of an oversight of
15 pharmacies across stores within a market. It
16 was about 12 to 15 stores in the central
17 Louisiana area.

18 Q. And how long were you in that
19 market director role?

20 A. About two years.

21 Q. Until 1999?

22 A. Yes.

23 Q. What position did you take in
24 1999?

25 A. I went to a general manager

1 position for our mail order pharmacy in
2 Carrollton, Texas. And I was there for
3 roughly six to seven years.

4 Q. Okay. So approximately
5 2005ish, 2006ish?

6 A. Yes.

7 Q. That's -- okay.

8 And when you left the position
9 as a general manager for the mail order
10 pharmacy group in Carrollton, Texas, what did
11 you do?

12 A. I went to the -- took an
13 opportunity to be a buyer for Walmart for Rx.
14 And stayed in that role for about six years.

15 Q. When you say you were "a buyer
16 for Walmart for Rx," do you mean you were a
17 buyer for the prescription buying group?

18 A. Yes.

19 Q. What were your responsibilities
20 as a buyer for Walmart?

21 A. My responsibilities were to
22 support the stores with inventory, work with
23 suppliers to get the best price possible on
24 the prescriptions, drugs that I purchased.
25 And just leverage relationships with those

1 suppliers to understand new products that are
2 available, and primarily support the stores
3 with the inventory they need.

4 Q. How would you leverage
5 relationships with the suppliers to
6 understand products?

7 A. Based -- if they have a new
8 launch of a product, it would be
9 understanding what the launch dates are.
10 It's a big product, what the impact might be
11 to other products in the same category.
12 Primarily to ensure that we understand the
13 volume and can support the stores with
14 inventory.

15 Q. Did your title change over time
16 from pharmacy buyer?

17 A. I moved to a senior buyer. I
18 can't recall exactly the day.

19 Q. Do you have an approximation?

20 A. It was probably my last year
21 and a half as a buyer.

22 Q. Which was when?

23 A. So I was in the role probably
24 about five years, four years, four and a half
25 years as a buyer, and then moved to a senior

1 buyer.

2 Q. Did your responsibilities
3 change when you became a senior buyer?

4 A. I don't recall a significant
5 change in what I did as a senior buyer,
6 compared to a buyer.

7 Q. Did you have a larger budget to
8 spend?

9 A. I don't recall that.

10 Q. Were you responsible for more
11 products?

12 A. I don't remember exactly what
13 changed when I moved from a buyer to a senior
14 buyer.

15 Q. Okay. So fair to say that you
16 don't recall any changes sitting here today
17 between your role and responsibility as a
18 buyer compared to a senior buyer?

19 A. Correct.

20 Q. Thank you. As someone who
21 purchased products from suppliers, what would
22 you look for in a seller?

23 What characteristics and traits
24 would you look for from a seller?

25 A. From a manufacturer?

1 Q. Sure.

2 A. Generally what is their
3 capability to maintain quality -- manufacture
4 quality products to ensure they can support
5 the inventory that we need. And have the
6 ability to systematically support what we
7 need from an order management, replenishment
8 standpoint.

9 Q. Anything else?

10 A. In some cases it would matter
11 if they had, you know, were they vertically
12 integrated on a product? Did they own the
13 API for a product or did they rely on other
14 suppliers? That's basically the primary
15 ingredient that makes the medication.

16 How integrated are they with
17 the product? That's the primary function.

18 Q. For the record, could you
19 define what you mean by "API"?

20 A. If it's a medication, a
21 chemical prescription product. The main core
22 ingredient that makes that product, that API
23 is what I'm referring to. And in some cases,
24 the manufacturer may not be the owner of that
25 API. They may have to source it. They may

1 have to source it.

2 Q. Reading back at your answer,
3 you didn't mention price. Was a competitive
4 price an important consideration for finding
5 a good seller?

6 A. Yes.

7 Q. Was it the most important
8 concern?

9 A. It was one of the concerns.

10 Q. What was the biggest concern?

11 MR. CARTER: Object to the
12 form. You can answer.

13 THE WITNESS: I would say
14 supply and price.

15 Q. (BY MR. ECKLUND) In your role
16 as a senior buyer and also as a buyer before
17 that, did you attend any professional
18 associations or meetings with other members
19 of the market?

20 A. Yes.

21 Q. Could you identify those
22 professional associations?

23 A. Primarily as a buyer, we would
24 attend the National Association of Chain Drug
25 Stores annually. And at times we would

1 attend the ECRM conference. Those were the
2 two ones that we most often attended.

3 Q. And what does ECRM stand for?

4 A. I honestly cannot remember.

5 Q. That's okay.

6 When did you begin attending
7 the NACDS annual meetings?

8 A. I would say the first one after
9 becoming a buyer. They generally are the
10 same time yearly. I haven't attended them --
11 I'm not sure what time of the year they
12 happen, but I would have attended probably
13 the first one after I became a buyer.

14 Q. What was the purpose of the
15 annual meetings?

16 MR. CARTER: Object to the
17 form.

18 Q. (BY MR. ECKLUND) Why did you
19 attend the annual meetings?

20 A. As a buyer, we would go along
21 with our leadership to meet with
22 manufacturers. We would see technology and
23 other vendors just to understand what's out
24 in the market and to meet with our strategic
25 suppliers at those meetings as well.

1 Q. Did you go to last year's
2 meeting?

3 A. I did go to last year's
4 meeting.

5 Q. Do you recall --

6 A. Not as a buyer.

7 Q. Okay. Do you recall when it
8 took place?

9 A. I believe it was in Julyish. I
10 can't recall the actual date.

11 Q. Okay.

12 (Walmart Coleman Deposition
13 Exhibit 1 was marked for
14 identification.)

15 Q. (BY MR. ECKLUND) So,
16 Ms. Coleman, I've handed you what's been
17 marked as Exhibit 1. You can take a moment
18 to peruse it quickly. You'll see it's an
19 appointment schedule for the National
20 Association of Chain Drug Stores.

21 And on the second page in the
22 afternoon session, you'll see your name.

23 A. Where -- okay.

24 Q. Do you see that?

25 A. Mm-hmm. (Witness nods.)

1 Q. You can peruse the entire
2 document. There may be occasions throughout
3 the deposition where I'll call your attention
4 to a specific passage for a lengthier
5 document, but if you could please focus your
6 attention on those passages, that would be
7 optimal. Everyone is trying to get out of
8 here as quickly as we can.

9 Have you had a chance?

10 A. Mm-hmm.

11 Q. Okay. So just a few questions.
12 First, do you recall this
13 meeting?

14 A. I do not.

15 Q. Okay. Is the phone number next
16 to the word "Walmart," is that your number or
17 is that Walmart's number?

18 A. I believe that's Walmart's
19 number. I use a phone that is a Walmart
20 phone, so the numbers -- I can't remember if
21 that was my desk phone, but generally it
22 would forward to my cell phone, if that were
23 the case.

24 Q. Okay. Looking at the other
25 individuals identified on this second page,

1 do you remember meeting with any of these
2 individuals?

3 A. I don't recall.

4 Q. Are any of these names familiar
5 to you?

6 A. I'm familiar with John Bonner.
7 And of course David Badeen was a -- I worked
8 with him.

9 That's the only names I'm
10 familiar with.

11 Q. Okay. What's David Badeen's
12 position within Walmart?

13 A. He was a buyer as well.

14 Q. Was he a senior buyer at this
15 time, or was he a pharmacy buyer?

16 A. I really don't know.

17 Q. Don't know. Okay. Who is
18 John Bonner?

19 A. He was a member of the McKesson
20 team. That's about all I recall. I
21 recognize his name.

22 Q. When you attended this
23 conference, did you sit in any meetings?

24 A. I would assume that I did.

25 Q. Okay. Would they routinely

1 hand out materials?

2 A. In some cases, yes.

3 Q. Were those materials provided
4 by manufacturers?

5 A. In some cases, yes.

6 Q. Wholesalers?

7 A. Yes.

8 Q. Dispensing pharmacies?

9 A. I generally didn't meet with
10 pharmacies.

11 Q. Did anyone ever hand you
12 anything prepared by a dispensing pharmacy?

13 MR. CARTER: Object to the
14 form.

15 THE WITNESS: Not that I
16 recall.

17 Q. (BY MR. ECKLUND) You mentioned
18 that you're still actively involved with
19 NACDS. Is that fair?

20 A. Not --

21 MR. CARTER: Sorry.

22 If you can just -- you're doing
23 a good job. If you can just pause.

24 Every now and then I'll have an
25 objection.

1 THE WITNESS: Okay. Not
2 actively. This last year was -- the
3 last two years were the first time I
4 had gone back in NACDS since being a
5 buyer. So my roles changed after the
6 buyer role.

7 Q. (BY MR. ECKLUND) So your
8 current role is -- what's your current title?

9 A. My current title is director of
10 clinical services. So I support the
11 immunizations program and the health
12 screenings program for our pharmacies. And I
13 have been in that position for five years,
14 almost six years.

15 Q. So approximately 2013? Or
16 2012?

17 A. Since I took this position,
18 about in 2013.

19 Q. So fair to say you probably did
20 not attend the annual meetings between 2013
21 and 2017.

22 A. That would -- from my
23 recollection, that would be correct.

24 Q. Did you begin attending a
25 different professional association in your

1 role as director of clinical services?

2 A. Annually there's an APHA,
3 American Pharmacist Association meeting that
4 I attended several years ago, and then I
5 probably plan to attend this year.

6 (Walmart Coleman Deposition
7 Exhibit 2 was marked for
8 identification.)

9 Q. (BY MR. ECKLUND) Ms. Coleman, I
10 want to direct your attention to the email
11 string in the middle of this chain, sent on
12 Thursday, July 13th, 2017 at 1:30.

13 Do you see it?

14 A. Yes.

15 Q. Okay. If you go to the "to"
16 section, the fourth line down, do you see
17 your name?

18 Jo Coleman at Walmart?

19 A. Are you down here?

20 MR. CARTER: He's got you in
21 the middle of this email chain.

22 THE WITNESS: Okay. I see.

23 MR. ECKLUND: Do you see it?

24 THE WITNESS: Mm-hmm.

25 Q. (BY MR. ECKLUND) Do you recall

1 this email?

2 A. I do not.

3 Q. Who is George Riedl?

4 A. He was our president of
5 Walmart, health and wellness during this
6 time.

7 Q. Who is Paul Beahm?

8 A. He was our executive vice
9 president of health and wellness at that
10 time.

11 Q. At the top of the second page,
12 it reads, "George, et al., We sincerely
13 appreciate Walmart's executive leadership
14 hosting us on-site yesterday to discuss two
15 strategic initiatives, opioids/PDMPs, and"
16 pharmacy -- or "pharmacist provider status/
17 medical billing."

18 Do you see that?

19 A. I do.

20 Q. Did you attend this meeting?

21 A. I do not recall attending this
22 meeting.

23 Q. Do you keep a calendar?

24 A. I do.

25 Q. Do you keep it online or on

1 your computer?

2 A. Yes.

3 Q. Is there a way you can check
4 and see if you attended the meeting?

5 A. I could check. I don't recall
6 attending this meeting, though.

7 Q. Okay. When we take a break, if
8 you could check on your calendar, that would
9 be appreciated.

10 A. Okay.

11 Q. Thank you. Now, do you recall
12 any discussions within Walmart about
13 strategic industry initiatives concerning
14 opioids?

15 A. I do not.

16 Q. What's a PDMP?

17 A. Prescription drug monitoring
18 program.

19 Q. Are those orchestrated or run
20 through states or by the federal government?

21 A. I really don't know. In my
22 role, I really did not deal with this area of
23 the business. I was overseeing the
24 immunization and health screenings segment,
25 which really was not at all close to this

1 matter.

2 Q. Okay. Direct your attention to
3 the following paragraph. It says, "As
4 mentioned yesterday, our government affairs
5 team stands ready to collaborate with
6 Walmart's government affairs team so we can
7 jointly unify and lead the industry in an
8 advocacy strategy."

9 Did I read that correctly?

10 A. Yes.

11 Q. Are you a member of Walmart's
12 government affairs team?

13 A. I am not.

14 Q. Do you know, looking at the
15 list of individuals who received this email
16 from Walmart, if any of them are members of
17 the government affairs team?

18 MR. CARTER: Now, are you
19 asking currently or as of the time of
20 the email?

21 MR. ECKLUND: As of the time of
22 the email. Yes. Thank you for the
23 clarification.

24 THE WITNESS: Possibly
25 James Langman.

1 That's all I recognize.

2 MR. ECKLUND: Okay.

3 Q. (BY MR. ECKLUND) Who is
4 James Langman?

5 A. He was VP over compliance,
6 health and wellness compliance.

7 Q. As director of clinical
8 services, do you have a lot of dealings with
9 James Langman?

10 A. Not a lot, no.

11 Q. Infrequent dealings?

12 A. Infrequent, yes.

13 Q. Would you say once a quarter?

14 A. Probably, yes.

15 Q. Once a month?

16 A. They would have a compliance
17 meeting once a week. I would be a focus
18 point, maybe once a quarter, specific to
19 immunizations or health screenings.

20 Q. As a prior member of the NACDS,
21 and -- are you a current member of the APHA?

22 A. Not a current member.

23 I have attended their meetings,
24 but not recently.

25 Q. When did you stop attending?

1 A. About three years ago. And I
2 hope to attend this year.

3 Q. 2015?

4 A. Yes.

5 Q. Do you have an understanding of
6 what the government affairs team would
7 endeavor to do?

8 Do you see it in the first? It
9 says, "Our government team stands ready to
10 collaborate." And as a former member of the
11 association, do you have a sense of what the
12 government affairs team would attempt to do?

13 A. I don't --

14 MR. CARTER: Hold on one
15 second.

16 Object to the form.

17 THE WITNESS: I don't.

18 Q. (BY MR. ECKLUND) Also fair to
19 say you don't have any understanding of what
20 the advocacy strategy for the industry was,
21 what they're describing in this email?

22 MR. CARTER: Object to the
23 form.

24 Q. (BY MR. ECKLUND) Do you see in
25 this first sentence of the second paragraph?

1 "So we can jointly unify and
2 lead the industry in advocacy strategy."

3 A. I really wouldn't understand
4 what that would be about.

5 Q. What's Relay Health?

6 A. Relay Health is a subsidiary --
7 I guess a subsidiary of McKesson.

8 Q. Have you ever worked with
9 Patrick Harris?

10 A. I have. I can't recall how
11 long it's been.

12 Q. In what capacity did you work
13 with Patrick Harris?

14 A. In the buy role, as I recall,
15 we did -- we had some discussions with
16 Relay Health. I've more communicated with
17 Relay Health in recent business with the
18 immunization program to support reminder,
19 series reminder vaccines and help our
20 pharmacists identify those patients needing
21 the second or third dose.

22 Q. Who is Darren Townsend?

23 A. Darren Townsend is a director
24 supporting billing and NCPDP type, you know,
25 standards.

1 Q. And what is NCPDP?

2 A. I could not tell you what the
3 acronym exactly stands for, but it's
4 basically the structure by which we would
5 bill a drug and a standard for pharmacy
6 billing.

7 Q. Would you agree with me that
8 based on the text of the email, it appears
9 Darren Townsend was also involved in
10 Walmart's government affairs team? If you
11 read this sentence, "I look forward to
12 working with Darren to facilitate a joint
13 government affairs meeting."

14 Do you see that?

15 MR. CARTER: Object to the
16 form.

17 THE WITNESS: I see that. I
18 don't know if he would be considered
19 part of government affairs. I don't
20 recall that being in his title in
21 any -- so I'm not certain.

22 MR. ECKLUND: Okay.

23 Q. (BY MR. ECKLUND) And sitting
24 here today, you don't know whether there were
25 any additional meetings or additional

1 collaboration between the government affairs
2 team referenced in this email and Walmart's
3 government affairs team?

4 MR. CARTER: Object to the
5 form.

6 THE WITNESS: That's correct, I
7 don't know.

8 Q. (BY MR. ECKLUND) Thank you.
9 You spoke briefly this morning about what you
10 look for in a seller, a good seller.

11 And you specifically mentioned
12 manufacturers. Did you also purchase from
13 wholesalers?

14 A. Yes.

15 Q. Which wholesalers did you
16 purchase from --

17 A. McKesson.

18 Q. -- in your role as a pharmacy
19 buyer?

20 A. McKesson. And we did purchase
21 specialty products for our specialty pharmacy
22 in Orlando from AmerisourceBergen.

23 Q. Did you ever purchase any
24 pharmacy -- oh, do you know what? Actually,
25 you used a very particular term, "specialty

1 pharmacies." Why don't we just break this
2 down.

3 In your role as a pharmacy
4 buyer, you would purchase small molecule
5 prescription drugs; correct?

6 A. Correct.

7 Q. Tablets and pills?

8 A. Correct.

9 Q. Did you also purchase
10 biologics?

11 A. That would be the specialty
12 side of it. So specialty pharmacy would
13 dispense those out of our Orlando facility,
14 and send them to patients' homes. So those
15 products could have potentially been bought
16 through McKesson for our retail stores. But
17 for our specialty pharmacies, we bought those
18 products from AmerisourceBergen.

19 Q. None of the specialty products
20 that you purchased were controlled
21 substances; correct?

22 A. To my knowledge, correct.

23 Q. And you didn't purchase on
24 behalf of Walmart any biologics, aside from
25 specialty pharmacies, that would be

1 controlled substances; correct?

2 A. Can you say that one more time?

3 Q. So when I think of the pharmacy
4 market, I think of three types of drugs.

5 A. Mm-hmm.

6 Q. And I also think of two types
7 of markets. And we'll talk about these
8 today.

9 Small molecule, biologic,
10 biotech products and then specialty pharmacy.
11 Okay? That's how I break it up.

12 Now, that may not be the way
13 that someone educated as a pharmacist might,
14 but that's what makes sense to me. Okay?

15 A. Okay.

16 Q. So when I'm thinking of
17 biotechnology drugs -- do you understand what
18 I'm talking about when I talk about
19 biotechnology drugs?

20 MR. CARTER: Object to the
21 form.

22 THE WITNESS: I may need to
23 clarify that as you speak to it.

24 Q. (BY MR. ECKLUND) Okay.

25 A. Because I -- I kind of see

1 those as one in some cases, specialty and
2 biotech.

3 Q. Okay. All right. So we'll use
4 yours, then.

5 I'll keep them together in my
6 mind today. Fair?

7 A. Fair.

8 Q. Okay. Thank you.

9 So you purchased specialty
10 products from AmerisourceBergen for a
11 facility in Orlando.

12 A. Correct.

13 Q. And that was as a pharmacy
14 buyer?

15 A. Yes.

16 Q. As a senior pharmacy buyer, did
17 you purchase any other specialty products
18 from anyone other than AmerisourceBergen?

19 A. We would have potentially
20 bought those products as well as from
21 McKesson for our retail stores.

22 Q. Okay. So when you became a
23 senior pharmacy buyer, you may have also
24 purchased specialty pharmaceutical drugs from
25 McKesson in addition to AmerisourceBergen?

1 A. Correct.

2 Q. Did you ever purchase any
3 prescription drugs from Cardinal?

4 A. No.

5 Q. Are you familiar with
6 Cardinal Health?

7 A. I am.

8 Q. Did you purchase any from
9 HD Smith?

10 A. No.

11 Q. Are you familiar with HD Smith?

12 A. I am.

13 Q. Same question for Miami-Luken.
14 Have you ever purchased from Miami-Luken?

15 A. No.

16 Q. Are you familiar with
17 Miami-Luken?

18 A. I am not.

19 Q. Sitting here today, are you
20 aware of any other drug wholesalers that you
21 may have purchased either small prescription
22 drugs from or special pharmaceuticals?

23 A. I'm trying to think.

24 ANDA was a distributor that we
25 would, in some cases, launch generic products

1 through them and ship to stores. But they
2 were the only other distributor that I worked
3 with.

4 Q. In your answer you said in some
5 cases you may have launched generic products
6 through ANDA. What circumstances would cause
7 you to purchase generic products from ANDA?

8 A. We wouldn't purchase the
9 products from ANDA. We would leverage their
10 distribution channel to get it to the stores
11 quicker.

12 So we would purchase from the
13 manufacturer --

14 Q. Okay.

15 A. -- and ANDA would distribute it
16 for us.

17 Q. Okay. I appreciate that
18 clarification. In my question I'd asked
19 specifically about purchase, but you were
20 using a different arm of ANDA. Okay. That's
21 helpful for me to know. I appreciate that.

22 A. Okay.

23 Q. I believe I asked you this
24 earlier this morning, but just for my
25 benefit, in your role as a senior pharmacy

1 buyer, were you provided a budget to purchase
2 prescription drugs?

3 A. No.

4 Q. Were you provided a budget to
5 purchase controlled substances?

6 A. No.

7 Q. Was your performance evaluated
8 regularly as a pharmacy buyer?

9 A. We would have evaluations
10 annually.

11 Q. Written?

12 A. Yes.

13 Q. Did you also have oral
14 evaluations?

15 A. It was oral, but it's
16 documented.

17 Q. Okay. Were you provided goals
18 for the next year?

19 A. We had goals, yes.

20 Q. Did you set your own goals in
21 part?

22 A. No.

23 Q. Did you have any influence on
24 your own evaluation?

25 A. Yes.

1 Q. How would you influence your
2 own evaluation?

3 A. Just on what my role was and
4 how I could implement new things around the
5 role of a buyer. Might be working with a
6 supplier on packaging or things like that.

7 Q. Okay. In your role as a
8 pharmacy buyer, I'd like to try and
9 understand how you spent your time on an
10 annual basis, approximations. Okay?

11 A. Okay.

12 Q. How much of your time was spent
13 at your home office? Your -- wherever your
14 physical office is located within Walmart.

15 MR. CARTER: Object to the
16 form.

17 Q. (BY MR. ECKLUND) Do you
18 understand what I mean by "home office"? I'm
19 saying if you have an office with a door and
20 it's in -- is it in Arkansas?

21 A. Yes.

22 Q. Okay. How often were you at
23 the office for work, and how often were you
24 on the road traveling?

25 MR. CARTER: Object to the

1 form.

2 THE WITNESS: Most of the time

3 I was at the office.

4 Q. (BY MR. ECKLUND) Greater than
5 80 percent of the time?

6 A. Probably.

7 Q. Greater than 90?

8 A. I can't ...

9 Q. So somewhere in the 80- to
10 90-percent range makes you feel comfortable?

11 A. Yeah.

12 Q. Can we work with that?

13 A. Yeah.

14 Q. So I'll just say four to five
15 days you're in the office, and the other day
16 you might be out.

17 A. Correct.

18 Q. Okay?

19 When you were on the road
20 traveling, what would you be traveling for?

21 A. Either to go to a meeting,
22 attend a Walmart meeting, go to an
23 industry -- or tour a manufacturing facility.

24 Q. What types of industry meetings
25 would you attend?

1 A. The ones we've spoken of.

2 Q. How often did you tour
3 manufacturing facilities?

4 A. Probably once a year. And it
5 wouldn't be every manufacturer. I mean, it
6 would just really be depending on what --
7 what we were working on at the time.

8 Q. Okay. And that was a question
9 I was going to ask you.

10 So you would not make it a
11 routine habit to go and visit each of the
12 suppliers of prescription drugs and
13 controlled substances on an annual basis at
14 their manufacturing facilities. You wouldn't
15 take, you know, 30, 40 trips per year to
16 visit facilities?

17 A. That's correct.

18 Q. How many would you estimate you
19 would attend in one year?

20 MR. CARTER: Object to the
21 form.

22 THE WITNESS: Two to three
23 potentially.

24 Q. (BY MR. ECKLUND) Do you recall
25 attending any manufacturing facility tours at

1 any company that provided controlled
2 substances to Walmart?

3 A. I don't remember if they did or
4 didn't.

5 Q. Ms. Coleman, do you have
6 children?

7 A. Yes.

8 Q. Okay. How old?

9 A. Soon to be 28 and 23.

10 Q. Did they enjoy Halloween when
11 they were children?

12 A. Yes.

13 Q. Do you also enjoy Halloween?

14 A. I do. With my grandkids.

15 Q. Do you recall any facility
16 tours taking place on Halloween?

17 A. I don't.

18 Q. Just sitting here today, you
19 don't remember visiting a manufacturer for a
20 facility tour on Halloween?

21 A. I don't recall that, no.

22 Q. Okay. Something that would
23 have been unusual, though?

24 A. I don't know.

25 Q. Well, we talked about facility

1 tours being rare. And Halloween is a unique
2 day, one that's memorable. Fair?

3 MR. CARTER: Object to the
4 form.

5 THE WITNESS: Yeah.

6 MR. ECKLUND: Okay. All right.

7 Q. (BY MR. ECKLUND) Do you recall
8 any facility tours for Endo?

9 A. I do not.

10 Q. Do you recall any facility
11 tours for Mallinckrodt?

12 A. I'm not certain if we did a
13 tour of Mallinckrodt or not.

14 Q. Is there anything that you
15 could look at that might refresh your
16 recollection?

17 A. I don't know.

18 Q. Do you recall where Endo's
19 manufacturing facilities are located?

20 A. I don't.

21 Q. Do you recall where
22 Mallinckrodt's manufacturing facilities are
23 located?

24 A. I don't.

25 Q. Do you know whether they're

1 located in Arkansas?

2 A. Do I know that or not?

3 Q. Yeah, do you know that?

4 A. I haven't heard of them in
5 Arkansas, but I don't -- I don't know.

6 Q. Do you know whether they're
7 within driving distance of your offices or
8 home in Arkansas?

9 A. I don't know that.

10 Q. Okay.

11 How much of your time was
12 devoted to generic purchasing?

13 A. My initial beginning as a buyer
14 was focused on brands, so I primarily
15 bought -- worked with the brand manufacturers
16 probably the first couple of years. And then
17 once we launched the \$4 generic program, I
18 shifted more to generics.

19 Q. Approximately how much of your
20 time do you spend -- or devote to branded
21 purchasing?

22 A. The first part of my job as a
23 buyer was brands only.

24 Q. Did that change over time?

25 A. Yes.

1 Q. How did it change?

2 A. When the \$4 program launched,
3 as I had said earlier, I shifted to help with
4 generic purchases. And then, as we moved
5 into a different structure of the way we
6 bought products, we shifted to categories or
7 disease states. And then in that instance,
8 you would kind of oversee whatever drugs were
9 in that category; heart health, diabetes.

10 Q. Do you know whether the \$4
11 generic program included controlled
12 substances?

13 A. It did not.

14 Q. Do you know whether the \$9
15 program included?

16 A. To my knowledge, it did not.

17 Q. Okay. Was there a reason why
18 it wasn't included?

19 A. Just in general, in my career
20 with the company, we've never promoted
21 controlled substances to the customer or to a
22 physician.

23 Q. So the \$4 generic program was,
24 in your view, equivalent to a promotion for
25 those generic programs available at Walmart?

1 MR. CARTER: Object to the
2 form.

3 THE WITNESS: It was a way to
4 bring low-cost medications to
5 customers.

6 Q. (BY MR. ECKLUND) Put a pin in
7 that. We're going to continue on, but I just
8 wanted to tie up one loose end.

9 So we were talking about the
10 Halloween meeting.

11 Do you have any recollection of
12 a tour involving fentanyl patches?

13 A. I do not.

14 Q. All right. And that's okay. I
15 mean, we're talking about years and years and
16 years. So it's okay. It's not "got ya." I
17 just wanted to ask some questions.

18 A. I understand.

19 Q. You mentioned the generic
20 program -- and we'll get to that. As a buyer
21 for Walmart, how has -- how do you use
22 technology?

23 A. During my days as a buyer,
24 there was a little bit less technology, but
25 we used, you know, emails. We used reporting

1 out of our, you know, Walmart system to
2 determine how the product movement was so
3 that we can ensure we have it in stock.

4 Phone.

5 Q. That's technology. We'll take
6 it. Yes.

7 A. That's what I recall.

8 Q. Okay. So PowerPoint?

9 A. Yeah.

10 Q. Okay. Excel?

11 A. Yes.

12 Q. Microsoft Word?

13 A. Yes.

14 Q. Kind of the whole Office suite.

15 What about Access databases?

16 A. I did not use Access databases.

17 Q. Familiar with Sequel?

18 A. No.

19 Q. Often written as SQL?

20 A. I've heard of it, but not --

21 Q. That's not something you use?

22 A. No.

23 Q. What about Alteryx?

24 A. No.

25 Q. Tableau?

1 A. I used that in a view format
2 today in my business, but as a buyer, I did
3 not.

4 Q. So in connection with your
5 immunizations --

6 A. Yes.

7 Q. -- group and clinical services,
8 you use Tableau, but not as a senior pharmacy
9 buyer?

10 A. Correct.

11 Q. And certainly not as a pharmacy
12 buyer?

13 A. Correct.

14 Q. Do you have access to data
15 maintained by others? For example, licensed
16 information?

17 MR. CARTER: Object to the
18 form.

19 THE WITNESS: I guess I need
20 you to clarify.

21 Q. (BY MR. ECKLUND) Okay. So are
22 you familiar with IMS Health?

23 A. Yes.

24 Q. Do you have Access to IMS
25 Health data?

1 A. I do today, yes.

2 Q. Did you as a pharmacy buyer?

3 A. I do not recall having data
4 from IMS Health at that time.

5 Q. Do you recall having Access to
6 IMS Health data as a senior pharmacy buyer?

7 A. I'm not certain.

8 Q. Okay. Familiar with IQVIA?

9 A. Yes.

10 Q. Did you have Access to IQVIA
11 data as a pharmacy buyer?

12 A. Not to my knowledge, no.

13 Q. Do you have access to IQVIA
14 today?

15 A. I do.

16 Q. What does IQVIA data show you?

17 A. It shows you market comparison
18 like what is your share. It shows you total
19 market, and then where -- where your business
20 falls. It doesn't tell you what others --
21 who those others are, so it buckets chain
22 versus grocery. Different segments of
23 pharmacy.

24 Q. Useful information?

25 A. Yes.

1 Q. Okay.

2 And what does IMS Health
3 provide you today?

4 A. IMS, I think, is now IQVIA. I
5 think that's their new name.

6 Q. Okay.

7 A. But today I get a market share
8 report on immunizations.

9 Q. Does Walmart consider itself a
10 chain or a grocery?

11 A. I think we're a mass retailer.

12 Q. Can you identify any other mass
13 retailers?

14 A. There used to be more, with
15 Target would have been a mass retailer when
16 they had a pharmacy. But a lot of
17 consolidation. I'm not sure who else is in
18 the mass retailer bucket today with us.

19 Q. Would you consider CVS a mass
20 retailer?

21 A. They're a chain pharmacy.

22 Q. Okay. Would you consider
23 Walgreens?

24 A. I believe they're classified --
25 now, I don't -- I'm not an IQVIA expert, but

1 I believe they're classified as a chain
2 pharmacy.

3 Q. As a pharmacy buyer, did you
4 have any inventory management tools or
5 databases that you were able to look at to
6 anticipate needs to purchase?

7 A. We primarily used -- we had
8 a -- I don't even remember the name of the
9 system, but that held all of the item
10 maintenance, and you could see the movement
11 of an item by week. And we would use reports
12 to determine movement of items across all of
13 the prescription drugs that we bought.

14 Q. Was it important to have
15 transparency on a weekly basis?

16 MR. CARTER: Object to the
17 form.

18 THE WITNESS: In some cases.
19 If there was a supply shortage, yes.

20 Q. (BY MR. ECKLUND) Did you
21 ordinarily purchase, on -- let me clarify the
22 question. I'm sorry.

23 When you were purchasing
24 prescription drugs, were you purchasing to
25 satisfy the needs of a -- Walmart's

1 pharmacies for a week? For a month? For a
2 quarter? What increment of time were you
3 trying to purchase for?

4 A. We would generally keep safety
5 stock; right? So we had backup. But
6 generally we would keep in stock based off of
7 what their demand was.

8 I don't -- I don't -- couldn't
9 even recall how many days on hand we tried to
10 maintain for items.

11 Q. Would you also try to maintain
12 a safety stock for prescription opioids?

13 A. I mean, we would want to be in
14 stock, so we would keep what we would need to
15 make sure that we could ensure our
16 pharmacists would have the products they
17 need.

18 Q. And the inventory management
19 database or system that you described, that
20 would include both prescription drugs and
21 prescription opioid drugs; correct?

22 A. Correct.

23 Q. We mentioned earlier how you,
24 fortunately, didn't have to spend all that
25 much time traveling to buyers as a pharmacy

1 buyer. Did suppliers ordinarily visit you at
2 your office in Arkansas for meetings?

3 A. Yes.

4 Q. How often?

5 A. It would depend on the
6 supplier. Generally quarterly. There would
7 be a quarterly review.

8 Q. Was it common for suppliers to
9 visit you on a quarterly basis?

10 MR. CARTER: Object to the
11 form.

12 MR. ECKLUND: Let me try it a
13 different way.

14 Q. (BY MR. ECKLUND) How many
15 suppliers did you purchase from?

16 A. I couldn't -- I couldn't tell
17 you at this point.

18 Q. Just approximately?

19 A. I don't know. 30.

20 Q. 30. How many of the 30 would
21 visit you on a quarterly basis?

22 A. Probably a third of them.

23 Q. A third. So that's ten. Can
24 you identify any of the ten that would visit
25 you on a quarterly basis?

1 A. Teva, Par, Mylan, Lilly, GSK.

2 Merck.

3 That's what comes to mind.

4 Q. Okay. Did Teva supply
5 prescription opioids to Walmart?

6 A. I would have to -- I don't know
7 for certain.

8 Q. Do you recall purchasing
9 prescription opioids from Par?

10 A. From who?

11 Q. Par.

12 A. Possibly. I don't ...

13 Q. Okay. Mylan?

14 A. Possibly.

15 Q. Lilly?

16 A. I'm not certain.

17 Q. GlaxoSmithKline?

18 A. I mean, we bought all products.
19 I can't recall who.

20 Q. I understand. I understand.

21 A. Yeah.

22 Q. Merck?

23 A. Mm-hmm.

24 Q. Any recollection?

25 A. I don't recall.

1 Q. Okay. When these suppliers
2 would arrive for these quarterly meetings,
3 would they bring materials with them?

4 A. Sometimes, yes.

5 Q. Written materials?

6 A. Yes.

7 Q. PowerPoint presentations?

8 A. Yes.

9 Q. Published literature?

10 A. Yes.

11 Q. Did they ever bring you any
12 scientific literature?

13 A. Yes.

14 Q. Any materials about efficacy?

15 A. I don't recall efficacy
16 materials per se. More so in the vaccine
17 business is where I see that more.

18 Q. What type of literature do you
19 recall them bringing?

20 A. It might be information about a
21 new product.

22 Q. Mm-hmm.

23 A. It might be on the brand side
24 that scientists would explain the way the
25 product works.

1 It might be a proposal.

2 Q. Did they ever provide you any
3 materials about new risks or new concerns
4 about a particular drug or class of drugs?

5 A. Not that I recall.

6 Q. Would that have been important
7 to you?

8 A. Yes.

9 Q. Something you would have read
10 if they provided it to you?

11 A. Yes.

12 Q. Possibly considered in your
13 decisions to purchase?

14 A. Yes.

15 Q. Did suppliers -- beyond
16 in-person meetings, did they also send you
17 letters? Written correspondence, letters?

18 A. They would send letters. We
19 primarily would be probably seeing
20 notifications, would be primarily most of
21 what we would get.

22 Q. Emails?

23 A. Yes.

24 Q. Text messages?

25 A. I don't believe we had text

1 when I was a buyer. I guess we did,
2 somewhat -- some of that, but yeah.
3 Possibly.

4 Q. Okay.

5 Any other means or methods that
6 you can think of sitting here today that
7 suppliers would use to communicate with you?

8 A. That haven't been mentioned?

9 Q. Yes.

10 A. No.

11 Q. A few more questions and then
12 we'll take a first break.

13 Was there anyone else at
14 Walmart who served the same role as you as a
15 pharmacy buyer during your tenure at the
16 company besides David Badeen? You mentioned
17 David earlier. He was identified in that
18 email. Anyone else who was a pharmacy buyer
19 during your tenure as a pharmacy buyer?

20 A. Patsy Little.

21 Q. Anyone else?

22 A. I can't remember her.

23 Cheryl Knight. And that's all that I can
24 remember.

25 Q. Linda Wilson?

1 A. She was not a pharmacy buyer.

2 But she was -- she worked on the team.

3 Q. Okay. Did you have access to
4 David Badeen's email account?

5 A. No.

6 Q. Did David have access to yours?

7 A. No.

8 Q. Did you guys share offices?

9 A. We didn't have offices.

10 Q. Do you have cubicles that are
11 adjacent?

12 A. Cubicles that are adjacent,
13 yes.

14 Q. Okay. How long did you work
15 with David?

16 A. About the whole time I was a
17 buyer, he was in role, I believe. Yes.

18 Q. Would it be unusual if David
19 had signed a contract on your behalf?

20 A. It would totally depend.

21 Q. Okay. Would it be unusual if
22 you signed one on his behalf?

23 A. It could have happened. I
24 don't know.

25 Q. I'm just trying to understand

1 how your offices work.

2 A. Yeah.

3 Q. So I'm going to hand you a
4 document. Actually, I don't need to hand
5 this one to you. I'm just going to put this
6 one up on the ELMO. It's not that important.
7 Save some time and then we can go into break.

8 First introduction to ELMO.

9 Okay?

10 I'm not marking it. I'm just
11 describing it.

12 MR. CARTER: Will you identify
13 it just for the record purposes, the
14 Bates numbers.

15 MR. ECKLUND: So this is a
16 Walmart MDL_000038415, and it is a
17 short two-page document that was
18 produced to us in the litigation.

19 And at the top you'll see it
20 was sent on December 4, 2006. It was
21 marked as confidential. It was sent
22 by DAVA Pharmaceuticals. It was sent
23 to David Badeen. It was sent by email
24 to David Badeen, according to the
25 letter, and it was accepted for

1 Walmart stores by you.

2 Q. (BY MR. ECKLUND) Do you see
3 that?

4 A. Accepted by me. Where do
5 you --

6 Q. At the bottom?

7 A. I don't see it.

8 Q. Accepted?

9 MR. CARTER: It's not on the
10 screen, Counsel.

11 MR. ECKLUND: Oh, sorry. Here
12 you go. Apologies.

13 Q. (BY MR. ECKLUND) "Accepted for
14 Walmart stores Inc. by JoLynn Coleman."

15 A. Yes.

16 Q. That's your signature?

17 A. Yes, it is.

18 Q. Okay. Was that unusual for you
19 to sign?

20 A. Not -- I don't think it was. I
21 mean, it depended. Suppliers, we had
22 different products with the same suppliers.

23 Q. Mm-hmm.

24 A. It could have been that David
25 was out. I signed on his behalf. I don't

1 remember.

2 Q. Okay. Would you have needed
3 someone to print out that email for you, or
4 would you have had direct access to that
5 email if we had --

6 A. I would have printed it.

7 Q. Who within Walmart would have
8 printed David's emails for you to review and
9 then sign?

10 A. He would have to have printed
11 it or emailed it to me. And I would have
12 printed it.

13 Q. David didn't have an assistant?

14 A. I don't know if we had
15 assistants at that time or not. Possibly.

16 Q. Okay.

17 Where does Patsy Little live?

18 A. I think she lives outside of
19 Lafayette now.

20 Q. Does she still work at Walmart?

21 A. No.

22 Q. Okay. Do you know where she
23 works?

24 A. I don't know the name of the
25 company she works at.

1 Q. Okay. What about
2 Cheryl Knight?

3 A. I lost track of Cheryl Knight
4 after I moved on from being a buyer. So I'm
5 not certain if she's still working for
6 Walmart or not.

7 Q. David Badeen, does he still
8 work at Walmart?

9 A. He works for Sam's.

10 Q. For Sam's.
11 When you were a pharmacy buyer
12 for Walmart, did you also purchase for Sam's?

13 A. We did, during that time, yes.

14 Q. Okay. Aside from
15 Cheryl Knight, David Badeen, and Patsy
16 Little, you can't recall any other pharmacy
17 buyers during your tenure as a pharmacy buyer
18 for Walmart?

19 A. I can't.

20 Q. And Linda Wilson wasn't a
21 pharmacy buyer?

22 A. I don't recall her ever having
23 that title.

24 Q. Okay.

25 Did each of these individuals

1 that we just talked about -- we talked about
2 Cheryl Knight, David Badeen, Patsy Little,
3 and yourself -- did each of you have
4 responsibility for purchasing controlled
5 substances to supply Walmart's pharmacies?

6 A. Could have.

7 Q. None of you was excluded or
8 precluded from purchasing controlled
9 substances?

10 MR. CARTER: Object to the
11 form.

12 Q. (BY MR. ECKLUND) You each had
13 the same ability to purchase or buy?

14 A. Correct.

15 Q. Same responsibility to purchase
16 and supply the pharmacies for Walmart?

17 MR. CARTER: Object to the
18 form.

19 THE WITNESS: Yes.

20 Q. (BY MR. ECKLUND) Okay. As
21 part of your evaluations, were your purchases
22 and your contracts and your negotiations
23 compared against Cheryl Knight's, David
24 Badeen's, or Patsy Little's? By that, I mean
25 was your performance compared up against

1 other people in the same role?

2 A. That's kind of not -- can you
3 repeat what I'm --

4 Q. Sure. So let's imagine that we
5 had a car dealership. We passed a few of
6 them on the way in. You have five car
7 dealers all working at the GMC dealership
8 down the road. And each of the five dealers
9 works the whole year, and one of them sells
10 five times as many pickup trucks as everybody
11 else. That's the type of performance that
12 the owner of the dealership is going to know
13 about. They're going to say, "This person
14 sold a lot more trucks." And it's going to
15 be potentially reflected in their
16 evaluations. It might be reflected in the
17 form of a bonus. It might be something that
18 leads to advancement. Okay?

19 So I'm trying to understand, in
20 your role as a buyer, you described earlier
21 your job was to make sure that you supplied
22 the volume necessary to supply the stores and
23 meet the needs at the stores.

24 Do you recall we had that
25 conversation?

1 A. That's correct.

2 Q. And you also mentioned that
3 price was an important component. Not the
4 only component, but one of them; right?

5 A. Correct.

6 Q. And part of securing the best
7 price is the negotiation that you would
8 engage in with the supplier, whether that's a
9 manufacturer or a wholesaler.

10 A. Correct.

11 Q. Okay. Were your contract
12 negotiations or your purchases measured up
13 against others in the same role within
14 Walmart?

15 A. No.

16 Q. Okay. Who was your direct
17 supervisor when you became a pharmacy buyer
18 for Walmart?

19 A. Initially it was Frank Segrave.

20 Q. Changed over time?

21 A. Yes. Then it was Bruce
22 Painter. Then it was Sandy Kinsey.

23 Q. And when you became a senior
24 pharmacy buyer, was Sandy Kinsey still your
25 direct supervisor?

1 A. Yes.

2 Q. Anyone else?

3 A. No.

4 Q. Okay.

5 MR. ECKLUND: Let's take our
6 first break.

7 THE VIDEOGRAPHER: We are going
8 off the record at 9:25 a.m.

9 (Recess taken, 9:25 a.m. to
10 9:44 a.m.)

11 THE VIDEOGRAPHER: We are back
12 on the record at 9:44 a.m.

13 MR. ECKLUND: Welcome back,
14 Ms. Coleman.

15 THE WITNESS: Thank you.

16 Q. (BY MR. ECKLUND) Just a few
17 follow-up questions from this morning. You
18 mentioned in passing a mail pharmacy program.
19 Did you purchase for mail order?

20 A. Can you define what
21 specifically?

22 Q. Sure.

23 So did Walmart provide
24 prescriptions for individuals that only
25 arrived at a physical store or did they also

1 ship prescriptions to individuals at their
2 homes via mail?

3 A. We did have a mail order
4 pharmacy.

5 Q. When did the mail order
6 pharmacy begin?

7 A. I don't know the opening. I
8 was transferred to be the general manager of
9 that facility and was in that role there for
10 right at six years.

11 Q. Did the mail order pharmacy
12 program dispense controlled substances?

13 A. Yes.

14 Q. Do you recall any specific
15 controlled substances that were distributed
16 by the mail order program?

17 A. I don't recall specifically,
18 but we had controlled substances that were
19 dispensed.

20 Q. Were there any limitations in
21 the controlled substances that you would
22 dispense via mail?

23 MR. CARTER: Object to the
24 form.

25 Q. (BY MR. ECKLUND) For example,

1 any particular drug product? Oxymorphone,
2 hydromorphone, hydrocodone? Were all of
3 those available via mail program?

4 A. Yes.

5 Q. Were there limitations on how
6 many pills you might dispense? If the
7 prescribing physician had said, "You can have
8 50 pills," would you ship 50 pills via the
9 mail program?

10 MR. CARTER: Object to the
11 form.

12 THE WITNESS: We would follow
13 whatever the state allows for the
14 controlled substance and what the
15 physician has ordered.

16 Q. (BY MR. ECKLUND) All right.
17 You also mentioned that your title changed
18 from pharmacy buyer to senior pharmacy buyer.
19 Was that change prompted by strong
20 evaluations? Was it based on seniority? Do
21 you have an understanding of why your title
22 changed?

23 A. Other than performance, I don't
24 recall.

25 Q. Okay. Have you reviewed any of

1 the complaints filed in either state or
2 federal court that are included in the
3 multidistrict litigation?

4 A. No.

5 Q. And when I say "the
6 multidistrict litigation," I mean all of
7 those cases that are currently consolidated
8 and centralized before Judge Polster in
9 Cleveland, Ohio. So that's what I'm
10 referring to.

11 A. I have not.

12 Q. Are you familiar generally with
13 the defendants that are named in this case,
14 beyond Walmart?

15 A. No.

16 Q. Are you familiar with the
17 plaintiffs?

18 A. No.

19 Q. Do you know whether they're
20 individuals or public entities?

21 A. I do not.

22 Q. Can we agree that there is an
23 opioid epidemic in the United States today?

24 A. I believe there's a crisis, an
25 opioid crisis.

1 Q. What's the difference between
2 an opioid epidemic and an opioid crisis?

3 A. I'm not a -- someone who can
4 define what an epidemic is, but, you know, I
5 will say one way or the other.

6 Q. When did you become aware of
7 the opioid crisis?

8 A. Probably in the last five years
9 or so. Six years.

10 Q. How did you become aware of the
11 opioid crisis in 2012? Or 2013?

12 A. Just what's in the news or what
13 I hear being at the office.

14 Q. So at the office you have
15 discussions about the opioid crisis between
16 2012 and 2013?

17 A. I can't recall when.

18 Q. Do you have a recollection of
19 any of those discussions?

20 A. I don't recall specific
21 discussions around the opioid crisis.

22 Q. Would those have been formal
23 meetings or informal watercoolers?

24 A. Just informal.

25 Q. Just conversations around the

1 coffee pot or the watercooler around the
2 office?

3 A. I really don't recall where
4 they were.

5 Q. Do you recall having any
6 conversations with anyone in particular?

7 A. No.

8 Q. You mentioned news. Are you
9 talking about written news? Like a
10 newspaper? Online internet? Or television
11 news?

12 A. Either.

13 Q. Both?

14 A. Both.

15 Q. When you watch television news,
16 what channels do you most often watch?

17 A. I don't really specifically
18 watch any one over the other.

19 Q. So local news?

20 A. Yeah.

21 Q. CNN?

22 A. Possibly.

23 Q. Fox News?

24 A. Possibly.

25 Q. CNBC?

1 A. Yes.

2 Q. MSNBC?

3 A. I'm not --

4 Q. You're completely open to
5 whatever newscaster is on. You're open to
6 listening and paying attention --

7 A. I don't watch a lot of news
8 personally, but yeah.

9 Q. So television news is not a big
10 part of your life?

11 A. Correct.

12 Q. How about reading the
13 newspaper? Is it a habit?

14 A. No.

15 Q. What about reading online news?
16 Is that a habit?

17 A. Online news? No.
18 Occasionally.

19 Q. Once or twice a week?

20 A. Yes.

21 Q. But not daily?

22 A. Not daily.

23 Q. Okay. When you say "crisis,"
24 what do you mean by crisis?

25 A. Just that -- crisis is that

1 there's a -- just an opportunity with a
2 product, or -- I don't really know the
3 definition of a crisis, but ...

4 Q. That's okay. Let's see if we
5 can reach agreement.

6 So I looked up on
7 Merriam-Webster's Dictionary the word
8 "crisis."

9 And there are a few definitions
10 available. We've got definition of crisis A:
11 "The turning point for better or worse in an
12 acute disease or fever?"

13 And you can see it on the
14 screen now. Correct? Ms. Coleman, you can
15 see the Merriam-Webster's website on the
16 large screen in the room?

17 A. Yes.

18 Q. Okay. And you can see it says
19 "Merriam-Webster since 1828," and you can see
20 I looked up the word "crisis"?

21 A. Yes.

22 Q. And I'm going to read it. If I
23 misread it, just stop me.

24 Definition of crisis.

25 "The turning point for better

1 or worse in an acute disease or fever."

2 B: "a paroxysmal attack of
3 pain, distress, or disordered function."

4 C: "an emotionally significant
5 event or radical change of status in a
6 person's life." And then there's -- midlife
7 crisis is an example.

8 Following below, we have
9 definition 2, "the decisive moment, as in a
10 literary plot."

11 And 3A and 3B: "An unstable or
12 crucial time or state of affairs in which a
13 decisive change is impending, especially one
14 with the distinct possibility of a highly
15 undesirable outcome." Examples being a
16 financial crisis, or the nation's energy
17 crisis.

18 And then B: "a situation that
19 has reached a critical phase." The
20 environmental crisis, and the unemployment
21 crisis being examples.

22 When you used the word
23 "crisis," do any of those definitions fit
24 your understanding of the word "crisis" as
25 you were using it when we talked about the

1 opioid crisis?

2 A. Yes.

3 Q. Which one?

4 A. Several of them.

5 Q. Why don't you identify the ones
6 that do.

7 A. "A turning point for better or
8 worse."

9 Q. Okay. So --

10 A. "A decisive moment."

11 Q. 1A, 2. Okay.

12 What about 3A or 3B?

13 A. I would say both of them.

14 Q. Okay. So when you use the word
15 "crisis" today, I'm going to keep your
16 understanding of that word in mind; is that
17 fair?

18 A. That's fair.

19 Q. I want to make sure we have an
20 understanding of what each other -- of what
21 I'm saying to you and what you're saying to
22 me. And if there's a word that I used today
23 and you want me to look it up and you want a
24 dictionary --

25 A. Okay.

1 Q. -- totally fine. Okay?

2 Can we agree that over the past
3 year the opioid crisis has gained visibility
4 in our society?

5 A. Yes.

6 Q. Are you aware that
7 President Trump has identified the opioid
8 epidemic as he referred to it as a "public
9 health emergency"?

10 A. Yes.

11 Q. Do you agree with that
12 characterization by President Trump that the
13 opioid crisis or opioid epidemic is a "public
14 health emergency"?

15 A. I think it's a public health
16 concern, personally, my personal opinion.

17 Q. Okay. That's all right. You
18 don't have to agree or disagree with the
19 President. I'm just asking your opinion.

20 A. Yeah.

21 Q. Are you aware that a national
22 commission and a commission of state
23 governors have issued recommendations for
24 action to address the opioid epidemic?

25 A. I'm not aware of that.

1 Q. Are you aware that many of the
2 concerns that have been raised by elected
3 officials stem from the fact that in 2016,
4 more than 11 million Americans misused
5 prescription opioids?

6 MR. CARTER: Object to the
7 form.

8 MR. WATTS: Object to the form.

9 MR. ECKLUND: Are you aware?

10 THE WITNESS: Can you restate
11 that?

12 MR. ECKLUND: Sure.

13 Q. (BY MR. ECKLUND) Are you aware
14 that in 2016, more than 11 million Americans
15 misused prescription opioids?

16 MR. CARTER: Object to the
17 form.

18 THE WITNESS: I don't
19 specifically know that number.

20 Q. (BY MR. ECKLUND) Are you aware
21 that the number of opioid-related deaths have
22 more than quadrupled since 1999?

23 MR. CARTER: Object to the
24 form.

25 THE WITNESS: I don't know the

1 details on that.

2 Q. (BY MR. ECKLUND) It's not
3 something that you're aware of in your role
4 as a purchaser or buyer of pharmaceutical
5 drugs including prescription opioids for
6 Walmart?

7 MR. CARTER: Same objection.

8 THE WITNESS: I'm not aware of
9 the details of that, no.

10 MR. ECKLUND: Okay.

11 Q. (BY MR. ECKLUND) I'd like to
12 shift to some of the supply and demand
13 concerns for healthcare generally and
14 pharmaceuticals specifically because it's a
15 unique market. And I'd like to talk about
16 some of those unique elements of prescription
17 drugs. Okay? Can we do that?

18 A. Yes.

19 Q. Okay. Can we agree that buying
20 and selling for health and wellness and
21 prescription drugs in particular is different
22 than how other departments within Walmart
23 might operate? For example, let's use blue
24 jeans or a dozen eggs or a book.

25 A. I've never bought in other

1 areas of Walmart.

2 Q. Okay.

3 A. So I would --

4 Q. That's okay. We'll get there.

5 If I wanted to go into a store
6 today and buy 50 pills, prescription pills,
7 but I don't have a prescription, I can't do
8 it. Is that right? Without a prescription,
9 I can't purchase prescription drugs?

10 A. Correct.

11 Q. But I can go in and buy a dozen
12 eggs from Walmart if they're available for
13 sale?

14 A. Correct.

15 Q. And I could buy blue jeans?

16 A. Correct.

17 Q. Or a book?

18 A. Yes.

19 Q. Anything else in the store that
20 has restrictions that you're aware of?

21 A. Probably firearms.

22 Q. Firearms.

23 A. Alcohol.

24 Q. Okay. Does that make sense to
25 you? Firearms should be --

1 A. I don't have one way --

2 Q. No, I'm saying does it make
3 sense that firearms might be something where
4 there would be additional restrictions on
5 purchase and sales?

6 A. Yes.

7 Q. Anything besides firearms and
8 prescription drugs come to mind?

9 A. Alcohol.

10 Q. Alcohol. Does that one make
11 sense to you as well?

12 A. I don't -- I just know there
13 are restrictions as a purchaser.

14 Q. Okay.

15 A. That's really all I have to add
16 there.

17 Q. And tobacco as well?

18 A. Yes.

19 Q. Okay. Now, you mentioned
20 firearms, alcohol, and I mentioned tobacco to
21 you.

22 So let's talk about those, and
23 then we'll talk about prescription drugs.

24 Most individuals who purchase
25 alcohol purchase alcohol to consume the

1 alcohol because they enjoy the alcohol. Is
2 that basically consistent with your
3 understanding of why people might buy
4 alcohol?

5 A. I don't know why people buy
6 alcohol. I don't know. I mean ...

7 MR. CARTER: I didn't have the
8 time at the break, but I would object
9 to the form of that question.

10 MR. ECKLUND: That's fine.

11 Q. (BY MR. ECKLUND) Tobacco, most
12 people purchase it for personal use. They
13 enjoy smoking tobacco. They enjoy chewing
14 tobacco. Maybe they're addicted, but they
15 use tobacco themselves?

16 MR. CARTER: Same objection.

17 Q. (BY MR. ECKLUND) What's your
18 understanding of why people purchase
19 prescription drugs? You're a pharmacist.
20 Why do people most often buy prescription
21 drugs? Is it because they like ingesting
22 pills or is it because they're looking for a
23 health benefit?

24 A. They likely have a diagnosed
25 health condition and are seeking treatment of

1 that condition.

2 Q. Okay. So they're looking to
3 treat a health condition. They're looking to
4 improve their quality of life?

5 MR. CARTER: Object to the
6 form.

7 THE WITNESS: Possibly.

8 Q. (BY MR. ECKLUND) Possibly?
9 Perhaps a little longer life? Maintain or
10 manage a condition so that you can live a
11 full and complete life?

12 MR. CARTER: Form.

13 THE WITNESS: Possibly.

14 Q. (BY MR. ECKLUND) Possibly?

15 So consumers purchase and
16 ingest pharmaceuticals most often because of
17 the role they can play in improving or
18 maintaining their health. Is that fair?

19 A. Yes.

20 Q. Okay. In your role as a
21 pharmacy buyer for Walmart, did you also
22 purchase over-the-counter drugs?

23 A. I did purchase a small part of
24 over-the-counter; the dosing spoons and
25 things like that.

1 Q. Okay.

2 A. For a small period of time.

3 Q. Anything beyond dosing spoons?

4 A. I did have the blood pressure,
5 diabetes -- the section of devices for a
6 short period of time.

7 Q. You said "blood pressure,
8 diabetes." Do you mean blood pressure --

9 A. Blood pressure monitors.

10 Q. -- monitors. And then
11 diabetes. Blood sugar testing devices?

12 A. Yes.

13 MR. CARTER: You've done a
14 pretty good job, but try not to talk
15 over each other.

16 THE WITNESS: Sorry.

17 MR. CARTER: So let him finish
18 and then you can --

19 THE WITNESS: Okay.

20 Q. (BY MR. ECKLUND) That's okay.
21 We're doing well, and we'll keep trying.

22 So when you're talking about
23 blood sugar testing devices, you're talking
24 about test strips, needles that diabetics may
25 need to use to get a drop of blood so they

1 can monitor their glucose levels so they can
2 monitor and then manage their condition.

3 Is that what you're talking
4 about?

5 A. Yes.

6 Q. Did you purchase on behalf of
7 Walmart any other devices beyond blood
8 pressure testing equipment or blood sugar
9 testing devices?

10 A. Not that I recall.

11 Q. We talked about one of the key
12 differences between prescription drugs and
13 other drugs, which is by definition a
14 prescription only. You need a prescriber to
15 write a prescription in order to obtain that
16 medication; correct?

17 A. Correct.

18 Q. Okay. Let's talk about another
19 difference in prescriptions.

20 Let's talk about insurance.

21 Many consumers who purchase
22 prescription drugs, they have insurance
23 coverage; correct?

24 A. Correct.

25 Q. And many elderly individuals in

1 America today enjoy benefits provided by
2 Medicare. Is that consistent with your
3 understanding?

4 A. Yes.

5 Q. And you're aware of Medicaid
6 programs as well?

7 A. Yes.

8 Q. Okay. Are you familiar with
9 formulary lists?

10 A. Yes.

11 Q. What's a formulary list?

12 A. It's generally a list of
13 products that the insurance plan covers.

14 Q. Okay. Are you familiar with
15 tiers for prescription drugs benefits?

16 A. Brand or generic tiers.

17 Q. Okay. One type. Specialty
18 pharmaceutical might be another tier?

19 A. I'm not familiar with those
20 types of tiers.

21 Q. Again, a somewhat unique
22 circumstance for prescription drugs is that
23 the transactions themselves don't just
24 involve the consumer. They can involve an
25 insurance provider. They can involve

1 Medicare. They can involve Medicaid. They
2 can involve formulary lists. That all true?

3 MR. CARTER: Object to the
4 form.

5 THE WITNESS: They can, yes.

6 Q. (BY MR. ECKLUND) And sitting
7 here today, you can't identify any other
8 product that's available for purchase at
9 Walmart that would involve an insurance
10 provider stepping in and providing coverage?

11 A. Repeat that. I'm sorry.

12 Q. Prescription drugs, you can
13 have insurance coverage for those purchases.

14 A. Mm-hmm. (Witness nods.)

15 Q. Insurance will not pay for your
16 blue jeans.

17 Medicare and Medicaid won't
18 cover blue jeans; right?

19 A. I'm not a -- not that I know
20 of.

21 Q. Okay. And formulary lists,
22 while they restrict which drugs you may get
23 or the order in which you may receive them,
24 there's no one in the shoe department at
25 Walmart that says you can't buy the Nikes

1 until you've tried the Reeboks; right? You
2 can choose what you want to buy without
3 involvement by another party.

4 A. Correct.

5 Q. Okay. So there are limitations
6 both on what you can get and also on your
7 preferences or your ability to decide that
8 exists in the prescription drug market that
9 don't exist in other departments of Walmart;
10 is that fair?

11 A. Not to my knowledge.

12 MR. WATTS: Object to the form.

13 Q. (BY MR. ECKLUND) Are there
14 additional differences in the sale of
15 controlled substances versus prescription
16 drugs?

17 MR. CARTER: Object to the
18 form.

19 THE WITNESS: Not that I'm
20 aware of.

21 Q. (BY MR. ECKLUND) So we've
22 talked about how consumers who need a drug
23 that's a prescription drug, they need a
24 prescription to get that drug first; right?
25 So we can --

1 A. Correct.

2 Q. When you considered how much
3 volume to purchase for Walmart's pharmacies,
4 beyond the information you received from the
5 pharmacies themselves, what other information
6 did you consider in securing the appropriate
7 amount of volume?

8 A. I guess the -- it would depend
9 on new products coming to market. Brand to
10 generic switches, I would consider those.

11 That's what comes to mind.

12 Q. Okay. So you might consider
13 the number of prescriptions received and
14 dispensed within Walmart's pharmacies?

15 A. Yes.

16 Q. Replenishment requests from
17 Walmart's pharmacies?

18 A. Yes.

19 Q. Would you consider any direct
20 requests from any of the pharmacies?

21 Would you receive direct
22 requests from pharmacies?

23 A. Possibly.

24 Q. Okay. Would you look at weekly
25 dispensing data?

1 A. Yes, in some cases.

2 Q. Would you look at monthly
3 dispensing data in other cases?

4 A. Yes.

5 Q. And perhaps quarterly data?

6 A. Possibly, yes.

7 Q. Okay. So you would look at
8 dispensing data?

9 A. Yes.

10 Q. Okay. Would you look at trends
11 over time?

12 A. Yes.

13 Q. How would you consider trends
14 over time in your decision-making process as
15 a purchaser for Walmart?

16 A. Just primarily identifying
17 trends and then looking what the store needs
18 and inventory levels are to determine if I
19 need more or I need less.

20 Q. Would you also consider sales
21 information from suppliers?

22 A. No.

23 Q. Do you know if suppliers ever
24 provided you sales information?

25 A. I'm sure they probably did.

1 Q. But it's not something that you
2 would consider in connection with your
3 decision to purchase a volume of drugs?

4 A. I can't say specifically. I'd
5 have to understand the specific case.

6 Q. I'll try to come back to that.

7 A. Okay.

8 Q. We talked in part on your
9 familiarity with controlled substances.
10 Let's get a little more detailed on
11 controlled substances.

12 What is a controlled substance?

13 A. It is a product that has
14 limitations as far as refills is considered,
15 depending on the state law, what you can
16 dispense, you know, how many refills,
17 et cetera.

18 Q. A controlled substance is
19 regulated primarily by the FDA?

20 A. Any product that we sell would
21 be approved by the FDA.

22 Q. Do you know whether the DEA is
23 also involved in regulating substance
24 controlled substances?

25 A. I'm sure -- I do know that they

1 are.

2 Q. Do you know whether DEA is
3 involved in regulating any other prescription
4 drugs?

5 A. Not to my knowledge.

6 Q. And do you know why DEA is
7 involved in regulating controlled substances?

8 MR. CARTER: Object to the
9 form.

10 THE WITNESS: I don't know
11 their function as the DEA. I don't --
12 you know.

13 Q. (BY MR. ECKLUND) Do you
14 understand the differences between Class II
15 and Class III controlled substances?

16 A. As a pharmacist? Yes.

17 Q. What's the difference between a
18 Class II and a Class III?

19 A. In most cases, it's D -- it's
20 classified that limits refills that are
21 allowed. And what's -- that's generally what
22 I can say about the difference between those.

23 Q. And what about the dangers?

24 Is one more likely to be
25 addictive or dangerous to the individual

1 consuming it?

2 A. I think it just depends.

3 They're FDA-approved products.

4 Q. It's not your position because
5 controlled substances in Class II or
6 Class III are FDA-approved that they're safe
7 and lack any concerns about abuse or
8 addiction; correct?

9 MR. CARTER: Object to the
10 form.

11 THE WITNESS: Can you repeat
12 that?

13 Q. (BY MR. ECKLUND) Sure. So I
14 asked earlier is one more likely to be
15 addictive or dangerous in the context of
16 Class II and Class III prescription opioids.
17 And then you said, "I think it just depends.
18 They're FDA-approved products."

19 And what I'm trying to
20 understand is if you have a sense, sitting
21 here today, whether one is perceived to be
22 more or less concerning to DEA within the
23 classification system as you understand it.

24 MR. CARTER: Object to the
25 form.

1 MR. WATTS: Object to the form.

2 THE WITNESS: As I personally
3 understand it?

4 Q. (BY MR. ECKLUND) Yeah.

5 A. As a pharmacist?

6 Q. Yeah. I want your testimony
7 today, yes.

8 A. There could be differences. It
9 depends on the patient.

10 Q. Can we agree that the market
11 for controlled substances is materially
12 different than the market for other
13 prescription drugs?

14 MR. WATTS: Object to the form.

15 THE WITNESS: I don't know that
16 I can say one way or the other there.

17 Q. (BY MR. ECKLUND) Why aren't
18 you certain if you could say one way or the
19 other?

20 A. Repeat the question.

21 Q. So the question was, "Can we
22 agree that the market for controlled
23 substances is materially different than the
24 market for other prescription drugs?"

25 There was an objection --

1 MR. WATTS: Object to the form.

2 MR. ECKLUND: I understand
3 that, Mr. Watts, thank you. I'm just
4 reading back the question to the
5 witness.

6 There was an objection
7 interposed. Your answer was, "I don't
8 know that I can say one way or the
9 other there."

10 My question was, "Why aren't
11 you certain if you could say one way
12 or the other?"

13 Is there something you could
14 look at that might describe the
15 differences in the classification for
16 DEA's controlled substances?

17 THE WITNESS: I don't know that
18 I understand what you're asking me.

19 MR. ECKLUND: That's okay.

20 Q. (BY MR. ECKLUND) All right.
21 So we'll shift.

22 You mentioned limitations on
23 the number of pills that could be provided
24 for controlled substances.

25 A. Refills that can be allowed.

1 Q. Refills only?

2 A. I don't know if there's
3 limitations on specific pills.

4 Q. Are controlled substances
5 tightly controlled?

6 MR. CARTER: Object to the
7 form.

8 THE WITNESS: They're
9 controlled. I can't speak to how
10 tightly controlled. I can speak to my
11 knowledge as a pharmacist or in my
12 role, but outside of that ...

13 Q. (BY MR. ECKLUND) In your role
14 within Walmart, were controlled substances
15 tightly controlled?

16 A. There were -- there were
17 security built around the products. There
18 was training and policies and procedures for
19 pharmacy teams to follow. So yes.

20 Q. Were those trainings, policies,
21 and procedures unique to controlled
22 substances?

23 A. Not only controlled substances,
24 in general operation procedures, but there
25 were specific things that had to be done in

1 addition for controlled substances.

2 Q. As a pharmacy buyer and senior
3 pharmacy buyer within Walmart, were you
4 responsible for completing any DEA forms?

5 A. No.

6 Q. Are you familiar with DEA
7 forms?

8 A. I'm familiar with them as a
9 pharmacist.

10 Q. Okay.
11 Are you familiar with Form 222?

12 A. I'm familiar with them in my
13 pharmacist role.

14 Q. You've never had to fill one of
15 them out?

16 A. As a pharmacist, yes.

17 Q. Just as a pharmacy buyer?
18 You've never filled them out as a pharmacy
19 buyer?

20 A. No.

21 Q. You've never filled them out as
22 a senior pharmacy buyer?

23 A. Correct.

24 Q. Okay. And we talked briefly
25 about purchasing of controlled substances,

1 which is, among other products, something
2 that you would purchase on behalf of Walmart?

3 A. Possibly, yes.

4 Q. Possibly? You don't remember
5 if you purchased controlled substances?

6 A. Honestly, we bought a myriad of
7 different products. I likely did, but I
8 don't recall which ones --

9 Q. Okay.

10 A. -- I purchased.

11 Q. We'll go through some of them.

12 A. Yeah.

13 Q. You testified earlier "There
14 were security built around the products.
15 There was training and policies and
16 procedures for pharmacy teams to follow, so
17 yes."

18 And I asked, "Were those
19 trainings, policies, and procedures unique to
20 controlled substances?"

21 And you answered, "Not only
22 controlled substances, in general operation
23 procedures, but there were specific things
24 that had to be done in addition for
25 controlled substances."

1 Do you recall that testimony?

2 A. Yes.

3 Q. Okay. Specifically to
4 controlled substances, were there any
5 differences that you can identify today
6 between how they were handled and how they
7 were controlled within Walmart that differ
8 from how you would handle other prescription
9 drugs?

10 A. Yes.

11 Q. What are those differences?

12 A. It's primarily with -- you
13 would do a controlled substance audit every
14 year. So that was unique to that category.
15 Of the controlled substances that were C-IIs,
16 were locked in a cabinet, that could only be
17 accessed via key by a pharmacist.

18 You kept controlled substance
19 inventories, where every time you would
20 dispense a C-II, you would document that in a
21 log. Those are the differences I'm speaking
22 to.

23 Q. Okay. The controlled
24 substances audits were handled annually?

25 A. Yes.

1 Q. Okay.

2 Was that at a pharmacy level?

3 A. Yes.

4 Q. Or was it --

5 Okay.

6 Did you ever attend any of
7 those audits?

8 A. In -- as a pharmacist, I did,
9 yes.

10 Q. Could you describe what occurs
11 during a routine controlled substances audit
12 that might occur at a Walmart?

13 A. You would go through and count
14 all of the pills that you had for controlled
15 substances in your pharmacy and document
16 those.

17 Q. And in order to do that, you
18 would go back through your dispensing log?

19 A. No, you would count the
20 physical pills on the shelf.

21 Q. Do you mean the physical pills
22 inside the cabinet with the key?

23 A. Not just C-IIIs, but all
24 controlled substances.

25 Q. Okay. Were some of the

1 controlled substances kept on shelves instead
2 of in the cabinet?

3 A. Yes.

4 Q. Do you recall which ones?

5 A. Non-C-II products.

6 Q. So C-IIIs?

7 A. During my day on the counter,
8 yes.

9 Q. What's the purpose of a
10 dispensing log?

11 A. For C-IIs?

12 Q. Yes.

13 A. Is that what you're referring
14 to?

15 There's a requirement that you
16 document every time you dispense the quantity
17 you dispensed and the date.

18 Q. Were you also responsible for
19 taking down the name of the customer who
20 purchased them?

21 A. No.

22 Q. The name of the physician that
23 prescribed them?

24 A. To my knowledge, no.

25 Q. Whether it was a cash sale or a

1 person who came in with insurance coverage or
2 a prescription drug benefit?

3 A. To my knowledge, no. We would
4 just document. It was a log, an inventory
5 log more so than anything.

6 Q. Okay.

7 In connection with the
8 purchasing and sale of controlled substances
9 within Walmart, did you also consider dosage
10 size?

11 A. "Dosage size," meaning?
12 Strength?

13 Q. Strength of the pills.

14 A. Yes.

15 Q. Morphine milligram equivalents?

16 A. As a buyer went, I did not, no.

17 Q. Did you consider -- withdrawn.

18 As a buyer -- would you prefer,
19 as a buyer, to purchase abuse-deterrent
20 formulations when available or would you
21 favor a generic that was not abuse deterrent?

22 MR. CARTER: Object to the
23 form.

24 Do you understand what I'm
25 saying?

1 THE WITNESS: Can you repeat it
2 one more time, please?

3 Q. (BY MR. ECKLUND) Sure. So
4 you're familiar with abuse-deterrent
5 formulations for prescription opioids?

6 A. There were a few when I was a
7 buyer, not many.

8 Q. Okay. Can you name some of
9 those?

10 A. I really -- I really can't.

11 Q. Okay.

12 A. I can't.

13 Q. Okay. What's your
14 understanding of the purpose for an
15 abuse-deterrent formulation?

16 A. That it had ingredients that
17 would prevent potential addiction, I think.
18 I can't remember. Overdose.

19 I haven't practiced in quite a
20 long time. I cannot remember the details.

21 Q. I understand. I understand.

22 Do you recall, during your
23 tenure as a buyer for Walmart, whether you
24 would favor restocking pharmacies within
25 Walmart with abuse-deterrent formulations of

1 prescription opioids when those formulations
2 existed?

3 A. I don't recall doing that. I
4 recall providing the -- buying the product
5 that our pharmacies needed for prescriptions
6 that were written.

7 Q. Okay. Did you ever consider
8 thresholds in connection with your purchasing
9 of prescription opioids as a buyer for --

10 A. I don't recall any type of
11 thresholds.

12 Q. Are you familiar with DC 6045?

13 A. I'm familiar with it, yes.

14 Q. And what is DC 6045?

15 A. That is our controlled
16 substance distribution center.

17 Q. Do you know where it's located?

18 A. I don't.

19 Q. Do you know whether you ever
20 visited it?

21 A. I may have.

22 Q. Sitting here today, you're not
23 sure?

24 A. I think I did attend a meeting
25 there. But it was a long time ago.

1 Q. Did you ever receive
2 information from DC 6045 in connection with
3 restocking or resupplying Walmart pharmacies
4 with prescription opioids?

5 A. No.

6 Q. Are you familiar with the
7 controlled substances ordering system or
8 CSOS, as I believe it's referred to within
9 Walmart?

10 A. I'm not.

11 Q. Is it fair to say you didn't
12 consider it in connection with your role as a
13 pharmacy buyer, then?

14 A. Couldn't have.

15 Q. When you received the resupply
16 replenishment request from Walmart
17 pharmacies -- we talked about those earlier
18 today -- you might get a request from a
19 specific pharmacy.

20 Do you remember that testimony?

21 A. Yes.

22 Q. Would you also consider the
23 relative size of that order and the pharmacy
24 itself? For example -- we'll just use two
25 extremes.

1 Los Angeles is a humongous
2 city. Right? We can agree on Los Angeles
3 has a tremendously large population?

4 A. Yes.

5 Q. Can we also agree that there
6 are some smaller towns in states like
7 North Dakota that are more rural, much, much
8 smaller populations?

9 A. Yes.

10 Q. Would you consider the size of
11 an order going to a Walmart in the greater
12 Los Angeles area differently than you might
13 consider an order being received in
14 North Dakota in a rural part of the state?

15 MR. CARTER: Object to the
16 form.

17 THE WITNESS: As a buyer, I
18 didn't see specific store orders or
19 monitor store-specific store orders.

20 Q. (BY MR. ECKLUND) Did you know
21 whether anyone else within Walmart did?

22 A. I don't know who that -- I
23 don't know.

24 Q. If you wanted to get an answer
25 to that question, who might you ask?

1 A. I guess somebody in compliance.

2 Q. Did you ever consider orders of
3 interest in connection with your role as a
4 buyer of prescription opioids within Walmart?

5 A. Explain what you mean by that
6 again.

7 Q. Are you familiar with the term
8 "orders of interest"?

9 A. I'm not.

10 Q. Okay. Did you ever receive a
11 request for more pills directly from a
12 pharmacist?

13 A. I possibly could have.

14 Q. But sitting here today, you
15 don't specifically recall any requests for
16 more prescription opioids made directly by a
17 pharmacy in --

18 A. Not specifically, no.

19 Q. I didn't ignore your question
20 on orders of interest. I'm just looking at
21 documents, and it's a term that I found in
22 the documents. I'm not in a position to
23 define it. I don't know what it means within
24 Walmart. So I don't want to --

25 A. Okay.

1 Q. -- characterize it. So I
2 understand that you've asked me to define it.

3 What about Walmart's suspicious
4 order monitoring programs? Did you consider
5 the Walmart suspicious order monitoring
6 programs in connection with your purchasing
7 and restocking of Walmart pharmacies?

8 MR. CARTER: Object to the
9 form.

10 THE WITNESS: I didn't really
11 have any connection with that process
12 or any details around that.

13 Q. (BY MR. ECKLUND) Did you ever
14 consider concerns about misuse of
15 prescription opioids as a buyer?

16 A. As a pharmacist.

17 Q. So in the '80s and early '90s
18 before you transitioned into pharmacy buying,
19 you may have considered it, but in your role
20 as a pharmacy buyer for Walmart, you did not?

21 A. I did not what? Can you tell
22 me that one more time?

23 Q. You did not take into account
24 concerns about misuse of prescription opioids
25 as a pharmacy buyer when restocking?

1 A. I don't know that I was at a
2 level where I knew whether there was a misuse
3 or not. I'm sure it's something that I would
4 have taken into account.

5 Q. Okay. So if it had been
6 brought to your attention, it's something you
7 would have taken into account, but if it
8 wasn't brought to your attention, it wasn't
9 something that you were actively considering
10 in your role as a pharmacy buyer from
11 Walmart?

12 MR. CARTER: Object to the
13 form.

14 THE WITNESS: I suppose.

15 Q. (BY MR. ECKLUND) How would you
16 have considered concerns about misuse of
17 prescription opioids in your role as a
18 pharmacy buyer for Walmart?

19 MR. CARTER: Object to the
20 form.

21 THE WITNESS: Say that again.
22 I'm sorry.

23 Q. (BY MR. ECKLUND) How would you
24 have considered concerns about misuse of
25 prescription opioids in your role as a

1 pharmacy buyer for Walmart?

2 MR. CARTER: Same objection.

3 THE WITNESS: As a buyer, I
4 just was disconnected from what
5 patient -- you know. So my role
6 was -- they were filling legitimate
7 prescriptions for patients. And I was
8 supplying them with product so that
9 they could fill those prescriptions.
10 And that was really my role as a
11 buyer.

12 Q. (BY MR. ECKLUND) Would the
13 same hold for concerns about abuse?

14 MR. CARTER: Same objection.

15 THE WITNESS: Yes.

16 Q. (BY MR. ECKLUND) Addiction?

17 MR. CARTER: Same objection.

18 THE WITNESS: In my role as a
19 buyer, my role was to supply the
20 stores that were filling legitimate
21 prescriptions for patients.

22 Q. (BY MR. ECKLUND) Okay. The
23 same answer for tolerance concerns?

24 MR. CARTER: Same objection.

25 THE WITNESS: Yes.

1 Q. (BY MR. ECKLUND) What about
2 street value? Was that something you ever
3 considered as a pharmacy buyer?

4 MR. CARTER: Same objection.

5 THE WITNESS: Same answer.

6 Q. (BY MR. ECKLUND) And you're
7 aware that prescription opioids have been
8 sold on the street illicitly?

9 A. I am aware of that.

10 Q. When did you become aware that
11 prescription opioids were being sold on the
12 street?

13 A. I can't recall exactly.

14 Q. More than five years ago?

15 A. Yes.

16 Q. More than six years ago?

17 A. I really can't --

18 Q. That's okay.

19 A. I don't -- I don't know.

20 Q. I'm not trying to like pinpoint
21 you. Will you agree it's between five and,
22 say, eight years ago?

23 A. Possibly.

24 Q. Possibly? We'll stick with
25 five. Is that fair?

1 A. Yes. That's fair.

2 Q. Okay. Were you aware that
3 Walmart sells home opioid testing kits?

4 A. I am not.

5 Q. You weren't responsible for
6 purchasing home drug testing kits? We talked
7 about the two other devices you did purchase,
8 blood pressure monitoring equipment -- sorry,
9 three -- spoons, dosing spoons, and then
10 diabetes --

11 A. I don't recall.

12 MR. CARTER: JoLynn, try to let
13 him finish the question. Even if you
14 think you know where he's headed.

15 Q. (BY MR. ECKLUND) Yeah, I'm
16 just trying to create a nice little framed-up
17 box here to --

18 Earlier today you talked about
19 how you purchased prescription drugs, both --
20 I'll call them ordinary prescription drugs
21 and controlled substances that are also sold
22 with a prescription. Okay?

23 A. Yes.

24 Q. Beyond that, we talked about
25 how you also had on occasion purchased

1 certain blood pressure monitoring devices.

2 Do you remember that testimony?

3 A. Yes.

4 Q. And we also talked about the
5 blood glucose monitoring devices?

6 A. Yes.

7 Q. And you also mentioned dosing
8 spoons.

9 A. Yes.

10 Q. Okay. Beyond dosing spoons,
11 blood pressure monitors, and blood glucose
12 monitoring, you didn't purchase any other
13 items, devices, tools, kits, or anything else
14 in your role as a pharmacy buyer for Walmart,
15 besides prescription drugs and --

16 A. I don't recall ever buying
17 anything --

18 Q. Okay.

19 A. -- outside of that.

20 Q. Okay. I'd like to turn your
21 attention to the supply side a little bit
22 more directly. Okay?

23 A. Okay.

24 Q. So we're going to talk about a
25 few different elements. We're going to talk

1 about manufacturers. We're also going to
2 talk about wholesalers. All right? Let's
3 start with manufacturers, because I think it
4 makes sense.

5 Can we agree that the market
6 can be characterized as having two main
7 groups of companies that manufacture
8 pharmaceuticals? You have got your innovator
9 or brand name of your manufacturers, and then
10 you have your generic manufacturers.

11 Can we agree that those are the
12 two major types of manufacturers in the
13 prescription drug market?

14 A. Yes.

15 Q. Okay. There's no third --

16 MR. WATTS: Objection to form.

17 Q. (BY MR. ECKLUND) There's no
18 third that you can think of sitting here
19 today?

20 A. Not that I can think of sitting
21 here today.

22 Q. Have you purchased from both
23 brand-name manufacturers and generic
24 manufacturers?

25 A. Yes.

1 Q. Okay. And you did so in your
2 role as a pharmacy buyer for Walmart?

3 A. Correct.

4 Q. Let's see if we can identify
5 the manufacturers you can recall purchasing
6 from on behalf of Walmart.

7 Do you recall purchasing from
8 Janssen?

9 A. Yes.

10 Q. Johnson & Johnson?

11 A. Yes.

12 Q. Purdue?

13 A. Yes.

14 Q. Teva?

15 A. Yes.

16 Q. Endo?

17 A. Yes.

18 Q. Allergan?

19 A. Yes.

20 Q. Pfizer?

21 A. Yes.

22 Q. QualiTest?

23 A. Yes.

24 Q. Merck?

25 A. Yes.

1 Q. Bayer?

2 A. Yes.

3 Q. Roche?

4 A. Yes.

5 Q. Actavis?

6 A. Yes.

7 Q. Mallinckrodt?

8 A. Yes.

9 Q. GlaxoSmithKline?

10 A. Yes.

11 Q. Sanofi?

12 A. Yes.

13 Q. Novo Nordisk?

14 A. Yes.

15 Q. Eli Lilly?

16 A. Yes.

17 Q. Watson?

18 A. Yes.

19 Q. Anyone else?

20 A. There may have been other
21 generic suppliers.

22 Q. Okay.

23 A. I don't recall all of them.

24 Q. DAVA Pharmaceutical was a small
25 one you signed a contract for on behalf of

1 David Badeen; right?

2 A. Yes.

3 Q. So there's probably some
4 others. It's not intended to be an
5 exhaustive list. But if there are any others
6 that you remember, feel free to say, "You
7 know what? Hold up. I remembered another
8 one." Okay? And we'll get this on the
9 record.

10 Now, within the groups of brand
11 name and generic manufacturers, we talked
12 earlier about how there are specialty
13 pharmaceutical products, and then there are
14 what I referred to as small molecule.

15 Do you remember that?

16 A. Yes.

17 Q. Within your role as a buyer for
18 Walmart, you had direct dealings with small
19 molecule pharmaceutical manufacturers;
20 correct?

21 A. Correct.

22 Q. And can we also agree that
23 small molecule pharmaceuticals represented
24 the majority of the prescription drugs that
25 you were purchasing for Walmart?

1 A. Yes.

2 Q. I mean, the specialty
3 pharmaceuticals by name and pretty clearly in
4 how they're priced, that's not going to be
5 the majority of your market; correct?

6 A. I don't believe it was.

7 Q. Okay.

8 A. Correct.

9 Q. You don't know whether it's
10 5 percent of sales or 50 percent of sales?

11 A. I really don't.

12 Q. Okay. Do you recall purchasing
13 controlled substances from small molecule
14 pharmaceutical manufacturers?

15 A. Yes.

16 Q. Okay.

17 A. Possibly.

18 Q. We talked earlier about your
19 familiarity with specialty pharmaceutical
20 manufacturers. And again, as I understand
21 those, those are often biotech companies,
22 biotechnology drugs. But it can include
23 traditionals typically administered by
24 injection or infusion.

25 Is that consistent with your

1 understanding as a pharmacist?

2 MR. CARTER: Object to the
3 form.

4 THE WITNESS: In most cases,
5 yes.

6 Q. (BY MR. ECKLUND) In most
7 cases.

8 Okay. So as an injection or
9 infusion, they're different than pills and
10 tablets?

11 A. They are.

12 Q. Okay. Method of ingestion, how
13 you get the medicine you need differ?

14 A. Correct.

15 Q. Okay. And as the name implies,
16 specialty products are often intended for
17 special therapeutic situations. I'll run
18 down a list of a few that I'm aware of.
19 We've got oncologics. Are you aware of
20 specialty pharmaceuticals in the context of
21 oncology?

22 A. Yes.

23 Q. Antivirals?

24 A. Yes.

25 Q. Immunosuppressants?

1 A. Yes.

2 Q. Immunostimulants?

3 A. Yes.

4 Q. Autoimmune modulators?

5 A. Possibly.

6 Q. Any others sitting here today?

7 A. It's been a long time since

8 I've --

9 Q. It's been a long time?

10 A. -- bought specialties, so I
11 don't know where the business has gone.

12 Q. I understand. None of the
13 drugs that I just -- or categories or
14 conditions that I just identified are
15 controlled substance pain pills; correct?

16 A. Not to my knowledge.

17 Q. Okay. And we talked earlier
18 about how you do not recall purchasing any
19 specialty products that were prescription
20 opioids. Do you recall that testimony?

21 A. I don't recall that, yeah.

22 Q. Okay.

23 A. That's correct.

24 Q. All right. Let's shift over to
25 brand names and generics.

1 So what -- what's your
2 understanding of a brand-name prescription
3 drug? What is a brand name prescription
4 drug?

5 A. It's the innovator drug. The
6 manufacturer of the brand product, which
7 means the first that got FDA approval, gone
8 through all the steps to be the sole source
9 of a product for a period of time.

10 Q. Okay. So you mentioned "sole
11 source." I often refer to it as "single
12 source." Can we use "single source" today?

13 A. Yes.

14 Q. When you talked about
15 exclusivity for a period of time, were you
16 talking about patent exclusivity?

17 A. Yes.

18 Q. So as a pharmacy buyer, you
19 were aware that brand name prescription
20 drugs, single source, patent exclusivity,
21 when the drug was covered by the patent, only
22 the firm with the patent could produce and
23 market that drug?

24 MR. CARTER: Object to the
25 form.

1 THE WITNESS: Yes.

2 Q. (BY MR. ECKLUND) Okay. How
3 would that impact -- the fact that it's a
4 brand name prescription drug, how would that
5 impact pricing for Walmart?

6 MR. WATTS: Objection to form.

7 THE WITNESS: I guess, define
8 what you're specifically asking.

9 Q. (BY MR. ECKLUND) All right.
10 So you're familiar with just general sense,
11 supply and demand, traditional
12 microeconomics. Right? There's lots and
13 lots of people supplying a product. The
14 price is going to go down because there's a
15 lot of competition.

16 Are you familiar with that?

17 A. Mm-hmm.

18 Q. So if you've got lots and lots
19 of people selling something and it's widely
20 available, you're going to compete on price.
21 You're going to compete on service too, but
22 you're going to compete on price. If there's
23 only one source for a product, you're the
24 only game in town, you can't really compete
25 on price if that's what you need.

1 Does that make sense?

2 MR. CARTER: Object to the
3 form.

4 THE WITNESS: In most cases,
5 brands, they offer a price and it's
6 the price to everyone.

7 Q. (BY MR. ECKLUND) That's what
8 I'm talking about. Okay. So the brand name
9 would come in, and they would offer you the
10 price, and you might be able to negotiate on
11 the edges a little bit, but generally
12 speaking it's going to be pretty close to the
13 price that's offered; is that fair?

14 A. That's fair.

15 MR. WATTS: Objection to form.

16 Q. (BY MR. ECKLUND) Was Walmart
17 able to use its market power, its size, to
18 negotiate better prices with brand name drug
19 manufacturers?

20 A. Not that I saw.

21 Q. So negotiations for single
22 source, brand-name prescription opioids would
23 have been fairly limited?

24 A. To my knowledge, in my course
25 of buying.

1 MR. WATTS: Object to the form.

2 Q. (BY MR. ECKLUND) During your
3 negotiations for brand-name prescription
4 drugs, broadly, did you ever consult any
5 price catalogs?

6 A. Meaning to look up prices? I'm
7 guessing kind of, if I understand what
8 you're --

9 Q. Are you familiar with the
10 Red Book?

11 A. I didn't really use the
12 Red Book as a buyer, but ...

13 Q. Okay. So you -- that's what
14 I'm asking, did you use it? So you're
15 familiar with it, but you didn't use it?

16 A. Correct.

17 Q. Are you familiar with the
18 Blue Book?

19 A. I'm familiar with it, but we
20 really didn't use that either.

21 Q. Okay. Just for purposes of the
22 record, when I talk about the Red Book, I'm
23 talking about the book published by Medi-Span
24 that tracks averages on prices.

25 A. Our system used it, but as a

1 buyer, we didn't.

2 Q. Okay. So the data was in the
3 system that you would use when negotiating,
4 but the book wasn't in your hands?

5 A. Correct.

6 Q. Okay. And when we talk about
7 the Blue Book, that tracks a different
8 measure, not ADW, but WAC.

9 Are you familiar with WAC?

10 What does WAC mean?

11 A. Warehouse allowable cost.

12 Q. Okay.

13 A. Wholesale allowable cost. I
14 can't really --

15 Q. I always use "wholesale."

16 A. Okay.

17 Q. But if you want to use
18 "warehouse," that's fine.

19 So do you know whether the
20 Blue Book's wholesale average cost was
21 included in a database or system that you had
22 access to within Walmart as a pharmacy buyer?

23 A. If I were to purchase that
24 product, I would have -- I would know what
25 that is about what to -- you know, bring that

1 in and buy it outside of that. If we bought
2 it from McKesson, I would see what the cost
3 was there.

4 Q. And that -- the data within
5 that system, you would use that data and
6 information when negotiating prices for the
7 sale of single source or -- strike that.
8 Sorry.

9 You would use that data when
10 negotiating prices for the purchase of single
11 source brand-name prescription opioids?

12 MR. CARTER: Object to the
13 form.

14 THE WITNESS: In general, if we
15 were working with the manufacturer,
16 they would be providing us their
17 pricing.

18 Q. (BY MR. ECKLUND) So they would
19 provide the pricing on a take-it-or-leave-it
20 basis?

21 A. They would provide a price at
22 which they would sell it to us. And it's
23 not -- we might refer to McKesson to see what
24 the cost is in the system, but generally, if
25 I have a need for a product to support our

1 stores to fill prescriptions, we would order
2 that -- we would figure out a way to get the
3 product to the store.

4 My role was not to determine
5 what I bought. I bought what the stores
6 needed.

7 Q. So the need for the product was
8 more important than the price paid for the
9 product in those occasions?

10 A. We supplied the stores with
11 what they needed to fill legitimate
12 prescriptions, and that was the role.

13 Q. And that's how purchasing
14 within Walmart operated between 2005 and
15 2012-ish in your role as a pharmacy buyer?

16 MR. CARTER: Object to the
17 form.

18 THE WITNESS: If I recall --

19 MR. ECKLUND: Okay.

20 THE WITNESS: -- yes.

21 Q. (BY MR. ECKLUND) Did you ever
22 negotiate prices for brand-name prescription
23 opioids using volume as a motivator to reduce
24 the cost?

25 A. I don't recall ever doing that.

1 Q. When the patent for a drug
2 expires, additional firms can begin
3 manufacturing a drug; right? You're familiar
4 with that process?

5 A. Yes.

6 Q. Okay. And at that point it's
7 no longer -- if there are multiple drugs
8 available in the market, it's no longer
9 considered single source? It's considered a
10 multisource drug. Are you familiar with that
11 term, "multisource"?

12 A. Yes.

13 Q. Off patent?

14 A. Yes.

15 Q. Okay. We talked a little bit
16 about microeconomic theory, supply and
17 demand; right?

18 In a generic market, there's
19 more competition; correct?

20 A. Correct.

21 Q. Many suppliers can offer you
22 the same drug so long as they've received FDA
23 approval to sell that bioequivalent drug;
24 correct?

25 A. Correct.

1 Q. Okay. Are you generally
2 familiar with the process for introducing a
3 generic drug to the market?

4 A. From the time when I was a
5 buyer, generally familiar, yes.

6 Q. And what's your understanding
7 of the process?

8 A. It would depend on the product.
9 If there were multiple providers coming in
10 with a generic, or a few. But the process in
11 general would be that our supplier would let
12 us know if they were offering a generic
13 alternative and provide us pricing. And we
14 would determine based off of that what -- and
15 the relationship what products we were going
16 to choose as our preferred.

17 Q. Would a supplier ever let you
18 know that they had intentions of bringing a
19 new generic alternative to the market?

20 So the timeframe I'm talking
21 about is they have not yet received FDA
22 approval. They contact you and they say,
23 "We're thinking about, evaluating, interested
24 in, considering introducing a generic version
25 of this drug. Might Walmart be interested if

1 we're able to achieve FDA approval?"

2 Is that a conversation you
3 might have had with a generic manufacturer?

4 A. We may have, yes.

5 Q. Do you have any recollection of
6 any of those conversations?

7 A. I don't.

8 Q. It's not common?

9 A. Not in my time as a buyer.

10 Q. As more generic versions of a
11 drug enter the market, what happens to the
12 price in your experience as a buyer?

13 A. It usually goes down.

14 Q. How significantly from the
15 brand-name, single-source price?

16 MR. CARTER: Object to the
17 form.

18 THE WITNESS: It really depends
19 on the product.

20 Q. (BY MR. ECKLUND) After generic
21 entry into the market, after the patent
22 expiration, what happens to the sales for --
23 or purchases of brand name, single-source
24 drugs by you?

25 MR. CARTER: Object to the

1 form.

2 MR. ECKLUND: Actually, you're
3 right. It's no longer a single-source
4 drug at that point. So we'll go with
5 the -- I believe it's innovator drug.

6 I believe that's the name of
7 it, innovator multisource drug.

8 So let's imagine that Purdue
9 had a patent for a drug. Okay?

10 And the patent expires. And
11 upon the expiration of the patent,
12 Mallinckrodt or Endo or Janssen comes
13 into the market and they have a
14 bioequivalent, FDA-approved equivalent
15 that's introduced into the market. A
16 generic version of what once was a
17 patent-protected drug. What happens
18 to the sales -- what happens to the
19 sales of the formerly patent-protected
20 drug?

21 MR. CARTER: Object to the
22 form.

23 THE WITNESS: Usually they go
24 down.

25 Q. (BY MR. ECKLUND) A lot?

1 A. It really depends.

2 Q. Okay. Would you routinely
3 continue purchasing brand-name drugs for
4 Walmart when there were generic equivalents
5 available?

6 A. If there was demand in the
7 store to support continuing to have brand
8 available, then we would order it based off
9 of what the store needs were.

10 Q. Was there typically a large
11 difference in the price of the generic
12 version and the drug?

13 MR. WATTS: Object to the form.

14 THE WITNESS: It depended on
15 the product, but usually it was lower.

16 Q. (BY MR. ECKLUND) Do you recall
17 whether the prices for generic versions of
18 opioid drugs were often lower than the prices
19 for brand-name?

20 A. I don't recall any specifics.

21 Q. Within Walmart, do you know
22 whether the majority of dollar sales or
23 brand-name products or generic products were
24 higher or lower? Do you know which
25 represented to be more of the dollar sales

1 within Walmart?

2 A. I don't. I don't know.

3 Q. Do you know which represented
4 the majority of dispensed prescriptions?

5 A. I don't know that either.

6 Q. You don't know whether Walmart
7 sells more generic versions of drugs than
8 they do brand-name drugs?

9 MR. CARTER: Object to the
10 form.

11 THE WITNESS: Today in my role,
12 I don't have visibility to that.

13 Q. (BY MR. ECKLUND) What about
14 during your tenure as a pharmacy buyer for
15 Walmart?

16 A. During the time as a buyer?

17 Q. Would the majority of the pills
18 be generic or brand name?

19 A. I really can't remember.

20 Q. Okay. In your role as a
21 pharmacy buyer for Walmart, were there
22 characteristics, features or attributes that
23 could distinguish one generic manufacturer
24 from another generic manufacturer who were
25 both offering the same type of generic drug?

1 So what I'm saying is there is a -- generics
2 are available. There's multiple sources for
3 this generic equivalent of a drug. You can
4 pick a number that you like, two, five,
5 doesn't matter.

6 Are there characteristic traits
7 that you would value when determining which
8 of those companies to purchase generic
9 versions from on behalf of Walmart?

10 A. Whether they could meet the
11 supply demands -- were they a large supplier?
12 Are they a new supplier or an existing
13 supplier? Are they vertically integrated on
14 the product? -- were some things that I
15 would look at.

16 Q. Okay. So again, volume being a
17 very considerate -- very considerable --
18 sorry. Volume is a very considerable concern
19 for you as a pharmacy buyer for Walmart?

20 MR. CARTER: Object to the
21 form.

22 Q. (BY MR. ECKLUND) The ability to
23 supply the volume you need?

24 MR. CARTER: Sorry for speaking
25 over the question. I object to the

1 form.

2 MR. ECKLUND: That's okay.

3 THE WITNESS: I would -- I want
4 to be able to serve the stores and
5 have the products that they need for
6 the prescriptions that they get. So
7 the supplier that I would choose. I
8 want to have a reputation of being
9 able to supply consistently.

10 Q. (BY MR. ECKLUND) And if you
11 had concerns that a supplier would not be
12 able to meet, consistently meet the capacity
13 needs of Walmart, that might weigh against
14 them getting the business from Walmart?

15 A. Possibly, yes.

16 Q. Possibly. Okay.

17 Why only possibly?

18 A. It would depend on if there
19 were other manufacturers or other options.

20 Q. Okay. So if all other things
21 held constant, if there were two suppliers
22 available and one of them you were confident
23 could consistently meet your capacity needs
24 and the other one you were not confident
25 would be able to do so, you would pick the

1 former, not the latter?

2 A. I would -- if I could, yes.

3 Q. Okay. Why might you be
4 prevented from picking the former?

5 A. Unless there was a
6 relationship, it was a new supplier that we
7 wanted to give a chance to get a product with
8 us, because we did bring in new suppliers.

9 But my goal as a buyer would be
10 can I -- can the supplier meet the demand of
11 what the stores need?

12 Q. Okay. You talked earlier about
13 line capacity. You also talked about new
14 versus established. Can you explain to me
15 how you would consider a new entrant into the
16 generic market differently than one that is
17 more established in connection with your role
18 as a purchaser for Walmart?

19 A. Just history of working with
20 Walmart and their reputation of knowing how
21 they've supplied other products compared to a
22 new supplier that is just getting started.

23 Q. And reputation could be both
24 favorable or negative?

25 If you had had poor experiences

1 with a potential -- a past supplier, if they
2 had performed poorly, if they had failed to
3 meet your needs, that might weigh against
4 them getting continued work -- or sales from
5 Walmart; fair?

6 A. It might, yes.

7 Q. And if they had a sterling
8 reputation within the company -- they've
9 always hit supply needs. They've always
10 delivered on time, no issues, no problems --
11 that might lean towards them getting more
12 work?

13 A. Possibly.

14 Q. You mentioned "vertical
15 integration."

16 What is vertical integration?

17 A. When the manufacturer of a
18 product owns the API, the -- I don't even
19 remember what that stands for, but it's the
20 pharmaceutical ingredient that is -- makes up
21 that molecule.

22 If they are the manufacturer of
23 that, then they're not dependent on someone
24 else to supply. So in those cases, the
25 supply chain could be a little bit more

1 predictable.

2 Q. And again, predictability, the
3 ability to deliver the volume necessary for
4 Walmart's pharmacies to dispense is an
5 important concern for Walmart?

6 A. Yes.

7 Q. So availability of the product
8 for sale, the ability to deliver on time, the
9 ability to deliver the required volume,
10 relationships. What about competitive
11 pricing?

12 A. We would always look at
13 pricing, yes, as one of the components.

14 Q. How important was pricing in
15 deciding among varying generic suppliers?

16 A. It was important.

17 Q. Can we agree that it was the
18 second most important consideration, just
19 behind volume and the ability to supply?

20 A. I don't know that I can -- I
21 don't know that I could say that
22 specifically.

23 Q. How would you --

24 A. I mean, it depends on the
25 supply. Supply is most important.

1 Reputation and their consistent record as a
2 supplier is important. Price is also
3 important.

4 Q. What about rebates? Were
5 rebates a consideration in your time as a
6 pharmacy buyer for prescription drugs?

7 A. It's a part of pricing,
8 technically.

9 Q. Is it important?

10 A. Yes.

11 Q. The availability of rebates was
12 important? Okay.

13 Was the availability of rebates
14 for controlled substances important?

15 A. I didn't look at anything
16 specifically different about the purchases of
17 products across what I bought.

18 Q. Okay. So your analysis for one
19 category of prescription drugs and another
20 category of prescription drugs was largely
21 the same: again looking at volume, the
22 ability to supply the needs, reputation, new
23 versus established, vertical integration, and
24 pricing?

25 A. Yes.

1 Q. And that would be for a
2 cholesterol medication, a diabetes
3 medication, prescription painkillers or
4 opioids, any of the panoply of products you
5 purchased on behalf of Walmart?

6 A. That's the general structure
7 for which I chose a product that we were
8 going to carry or buy.

9 As long as the store needed it,
10 that was my role.

11 Q. Can you identify any
12 alternatives to the general structure?

13 A. I don't know. Maybe I don't
14 understand.

15 Q. So you said, "That's the
16 general structure for which I chose a product
17 that we would carry or buy." Is there any
18 other structure besides this general
19 structure you just described?

20 A. That would -- those were my
21 parameters as a buyer when we made a
22 selection.

23 Q. Do you recall from whom you
24 purchased generic prescription opioids?

25 A. I don't.

1 Q. Do you recall whether one
2 particular manufacturer was the primary
3 source of prescription opioids for Walmart in
4 your time as a pharmacy buyer?

5 A. I don't recall. I don't recall
6 that.

7 Q. Do you recall whether Walmart
8 would agree to give one manufacturer primary
9 position or the ability to meet or beat other
10 competitors' prices?

11 A. In general?

12 Q. For prescription opioids.

13 A. Can you repeat that? I'm
14 sorry.

15 Q. Sure. Do you recall whether
16 Walmart would agree to give one manufacturer
17 a primary position or the ability to meet or
18 beat other competitors' prices for
19 prescription opioids?

20 A. That could happen.

21 Q. Do you recall whether it did
22 happen?

23 A. I don't recall the specific
24 details when I was a buyer.

25 Q. Do you recall agreeing to

1 provide any particular provider of generic
2 prescription opioids exclusivity?

3 A. I don't recall doing that in my
4 role as a buyer.

5 Q. Okay.

6 MR. CARTER: No particular
7 urgency, but if you get to a good
8 breaking point, if we could take one
9 more before lunch.

10 MR. ECKLUND: Sure. Let's take
11 one right now.

12 THE VIDEOGRAPHER: We are going
13 off the record. The time is
14 10:55 a.m.

15 (Recess taken, 10:55 a.m. to
16 11:07 a.m.)

17 THE VIDEOGRAPHER: We are back
18 on the record at 11:07 a.m.

19 Q. (BY MR. ECKLUND) All right.
20 Ms. Coleman, using the ELMO again, which you
21 were introduced to this morning -- and the
22 document I'm using is attached to an email.
23 It bears Bates No. ENDO-OPIOID_MDL-02375516.

24 And at the top it says
25 "Subject, September 4, 2009,

1 Opana-Percocet" -- it's either PI or PL. I
2 don't know whether it's one or the other.
3 "Mergedletter.docx."

4 Do you see that?

5 A. Yes.

6 Q. So it's a merged letter. Did
7 you ever use merged letters in your role?

8 A. No.

9 Q. It's a tool that enables you to
10 send out a mass mailing to a lot of people.
11 It's the same correspondence. Okay? That's
12 my representation for the record.

13 And I'll just pull up the one
14 that's most important to you. You got a copy
15 of it. Do you see that?

16 A. Yes.

17 Q. "JoLynn Coleman"?

18 A. Yes.

19 Q. I'm not asking whether you
20 recall this document, just trying to make
21 sure that I've got everybody's title and
22 position correct.

23 And do you see there's your
24 colleague, David Badeen. Do you see that?

25 A. Yes.

1 Q. It says "Pharmaceutical buyer."

2 Your title is slightly

3 different. It just said "buyer."

4 Do you see that?

5 A. Yes.

6 Q. Because you were in the
7 pharmacy merchandising, so I suppose how they
8 had your contact information within Endo.

9 Direct your attention to this
10 version of the letter that was sent to
11 Ms. Wilson, and you'll see it's
12 "Ms. Linda Wilson, Pharmaceutical Buyer,
13 Walmart, Pharmacy Merchandising, 702
14 Southwest 8th Street, Bentonville, Arkansas."

15 Which is the same address they
16 have for you.

17 Does this in any way adjust,
18 influence your testimony earlier today about
19 Linda Wilson's role within Walmart?

20 A. Sitting here today, I do not
21 recall her ever being a pharmacy buyer.

22 Q. Okay. Thank you. Who is
23 Mike Gunning?

24 A. Say that again?

25 Q. Mike Gunning. Have you ever

1 worked with Mike Gunning?

2 A. I don't recall that name.

3 Q. Have you ever worked with John
4 G. Adams? From Mallinckrodt?

5 A. I don't remember that name
6 either.

7 Q. Paul Beahm, senior VP of
8 pharmacy. You mentioned him earlier --

9 A. Yes.

10 Q. -- as someone you reported to.

11 A. Yes.

12 Q. Sandy Kinsey, someone else that
13 you reported to right before you moved into
14 director of clinical sales? Services?

15 A. Services.

16 Q. Services. Thank you.

17 A. Yes.

18 Q. Okay. What's a merchandise
19 manager within Walmart pharmaceutical?

20 A. I really don't know what the
21 definition is, but generally merchandise
22 managers were -- oversaw certain categories
23 within Walmart in the purchasing group.

24 Q. Okay.

25 Earlier you talked about some

1 of the factors that you might have considered
2 when deciding between one or more providers
3 of generic prescription opioids.

4 And you mentioned vertical
5 integration as one. You mentioned supply.
6 You mentioned a few others. I don't want to
7 repeat them all.

8 Was expertise and controlled
9 substances something that might differentiate
10 one generic supplier from another?

11 MR. CARTER: Object to the
12 form.

13 THE WITNESS: I don't recall
14 that being something that we looked at
15 specifically.

16 (Walmart Coleman Deposition
17 Exhibit 3 was marked for
18 identification.)

19 Q. (BY MR. ECKLUND) Ms. Coleman,
20 I've handed you a copy of what appears to
21 have been a fax. At the bottom it bears
22 Bates stamp MNK-T1_0004758254.

23 I'd like to direct your
24 attention to the second page.

25 The second page, do you see

1 where you signed this document?

2 A. Yes.

3 Q. Okay. You signed it in your
4 role as pharmacy buyer. You signed it on or
5 around September 6th of 2007.

6 Do you see that?

7 A. Yes.

8 Q. While you may not recall this
9 particular document, I just want to run
10 through a few key elements of it.

11 Towards the top of the page, do
12 you see it says "Sent to Mr. Badeen"?

13 Addressed to your address,
14 JoLynn Coleman, signed by you, but addressed
15 to Mr. Badeen. Again, tying back into what I
16 talked about earlier. You might receive from
17 him. He might receive from you. Just trying
18 to make sure that we have a complete
19 collection of your custodial file and what
20 would have been sent to you or received by
21 you, notwithstanding the fact that there
22 seems to be at least some shifting, migration
23 of documents from one of you to the other,
24 both within the company and it seems like
25 outside.

1 Do you see what I'm talking
2 about?

3 A. Yes.

4 MR. ECKLUND: Okay. So just,
5 Counsel, if we can just confirm that
6 we have a complete custodial
7 collection for Ms. Coleman,
8 notwithstanding what we've just talked
9 about.

10 MR. CARTER: Sure. I'll refer
11 you to Tara. I can't speak to how --
12 this looks like it's a Mallinckrodt
13 production, so I certainly don't know
14 how Mallinckrodt categorized folks.
15 But I'll check with Tara and make sure
16 on our end.

17 MR. ECKLUND: I just want to
18 make sure that if there's any overlap
19 between the copies that it's being
20 caught. And I suspect it probably
21 would be based on key word searches
22 and the like, but just for the record.

23 Q. (BY MR. ECKLUND) Now,
24 Ms. Coleman, sometimes when you sign a
25 document with your hand, it doesn't get

1 picked up by the OCR, optical character
2 recognition, as easily as typed text. So a
3 letter addressed to Mr. Badeen but signed by
4 you, we might not have received it.

5 Do you understand how that
6 might have happened?

7 A. I understand.

8 Q. And that's just the concern.

9 I want to direct your attention
10 to the first sentence at the top of this
11 page.

12 "Mallinckrodt Pharmaceuticals
13 is pleased to offer this contract
14 modification to Walmart to add the
15 below-listed products as, 'A,' products in
16 primary position on Contract No. 0400500123."

17 Do you see that?

18 A. Yes.

19 Q. Are you familiar with Contract
20 No. 0400500123?

21 For the remainder of the dep,
22 I'm just going to call it the "Mallinckrodt
23 master contract"?

24 A. No, I'm not.

25 MR. ECKLUND: And, Counsel, is

1 that okay if we just call that the
2 master contract to the original
3 contract for purposes of
4 identification so I don't have to keep
5 saying the number?

6 MR. CARTER: If that's accurate
7 with respect to what the contract is,
8 we'll take it question by question,
9 but I don't have a problem with you
10 trying to streamline.

11 Q. (BY MR. ECKLUND) Sitting here
12 today, you're not familiar with that
13 contract?

14 A. No.

15 Q. Are you familiar with this
16 process of contract modification through
17 letter?

18 A. Somewhat, yes.

19 I just -- I don't remember the
20 details.

21 Q. Okay.

22 A. But yes.

23 Q. Were there -- aside from
24 written correspondence, were there any other
25 ways in which Mallinckrodt would have

1 modified, would have adjusted a contract with
2 Walmart?

3 A. Not in my -- not to my
4 knowledge.

5 Q. They wouldn't pick up the
6 phone, call you and say, "JoLynn, great news.
7 We're going to drop the price by 5 percent.
8 We're not going to put it in writing, just
9 between friends." They always put it in
10 writing?

11 A. I've never seen it not be in
12 writing.

13 Q. And you don't recall any
14 occasion when it wasn't written?

15 A. Correct.

16 Q. Do you see there's handwritten
17 notes and there's a "JC" next to it? Do you
18 see "Generally work with supplier as long as
19 there doesn't" -- and I believe it was
20 "supply issues," but I'm not positive.

21 Do you see there was a flag put
22 over it?

23 A. Mm-hmm. Yes.

24 Q. Okay. Is that your initial?
25 The "JC" next to it?

1 A. Yes.

2 Q. So you crossed out the right of
3 first refusal?

4 A. Yes.

5 Q. Did you also insert the 60-day
6 written notice?

7 A. That looks like my writing.

8 Q. Okay.

9 Now, this particular contract
10 involved four products. Do you see those
11 identified in a table towards the top half of
12 the document?

13 A. Yes.

14 Q. Oxycodone/hydrochloride
15 extended release?

16 ER stands for extended release
17 in your understanding; correct?

18 A. Correct.

19 Q. And there's four dosage sizes:
20 10 milligrams, 20 milligrams, 40 milligrams,
21 and 80 milligrams. Do you see that?

22 A. Yes.

23 Q. Then there's a size. It says
24 "Hundreds." What does that mean, "hundreds"
25 for size?

1 A. The bottle contains 100.

2 Q. The bottle contains 100 pills.

3 Then there's an invoice price

4 per bottle.

5 Do you see that?

6 A. Yes.

7 Q. And then there's a contract

8 price per bottle, which is lower?

9 Do you see that?

10 A. Yes.

11 Q. And then there's a net price

12 per bottle.

13 Do you see that?

14 A. Yes.

15 Q. And the net price per bottle is

16 lower still than the contract price per

17 bottle. Do you see that?

18 A. Yes.

19 Q. And then there's a case

20 quantity, 12.

21 A. Correct.

22 Q. Okay. The next line it says,

23 "These products will be eligible for the

24 16 percent rebate reflected above as net

25 price per bottle currently in place between

1 Walmart and Mallinckrodt Pharmaceuticals."

2 Do you see that?

3 A. Yes.

4 Q. Okay. So these products were
5 now being added to the existing contract
6 which had -- or at least being added and
7 included as eligible for a 16 percent rebate
8 provided by an existing contract.

9 Do you see that?

10 A. Yes.

11 Q. Okay. How often would new
12 products be added to an existing supply
13 contract?

14 A. I really can't -- I mean, I
15 don't know how often. I really couldn't give
16 you an educated -- I mean, I don't know.

17 Q. Is it frequent? Infrequent?

18 A. It depended on the supplier and
19 whether they had new products launching or
20 not.

21 Q. Okay. Okay. At the bottom of
22 the page right above the italicized text, it
23 reads, "Walmart has the sole obligation to
24 timely, fully, and accurately report all
25 product discounts and rebates to Medicaid,

1 Medicare, and/or third-party payers in
2 accordance with all applicable federal and
3 state laws and regulations."

4 Do you see that?

5 A. Yes.

6 Q. Who would have been responsible
7 for providing the timely, complete or full
8 and accurate report on all product discounts
9 and rebates to Medicaid within Walmart?

10 A. I don't know.

11 Q. It wasn't you?

12 A. It wasn't me.

13 Q. Was it any other pharmacy
14 buyer?

15 A. Not to my knowledge.

16 Q. Do you know whether it was any
17 of your supervisors?

18 A. I don't know who would have
19 reported it.

20 Q. Sitting here today, you don't
21 know one way or another?

22 A. I don't.

23 Q. Okay. Would the same carry for
24 Medicare? You have no idea who would have
25 been responsible for timely, fully, and

1 accurately reporting all rebates, discounts?

2 A. That's correct.

3 Q. And once again, for third-party
4 payers?

5 A. That's correct.

6 Q. Do you know whether it
7 happened?

8 A. I can't confirm it or ...

9 Q. It's not something you were
10 concerned with because it wasn't part of your
11 job?

12 A. That's correct.

13 Q. Okay. You can turn to the next
14 page. At the top it reads, "Walmart shall
15 sell the products it is buying from
16 Mallinckrodt Pharmaceuticals under this
17 agreement to end user retail pharmacy
18 customers only." Do you see that?

19 A. Yes.

20 Q. Does that mean Walmart will
21 sell the products it's buying from
22 Mallinckrodt Pharmaceuticals under this
23 agreement to Walmart pharmacies?

24 A. That's the only way we sell --
25 we bought product.

1 Q. So there's nobody else that
2 would have received it from Walmart? Just
3 Walmart's pharmacies?

4 A. Say that one more time. I want
5 to make sure I understand it.

6 Q. So the -- it says "End user,
7 retail pharmacy customers only." The only
8 end user retail pharmacy customers that
9 Walmart ever had in your tenure as a pharmacy
10 buyer were Walmart's own pharmacies.

11 A. Walmart and Sam's.

12 Q. Walmart and Sam's.

13 A. Yes.

14 Q. Okay. Thank you for the
15 clarification.

16 It continues. It has
17 "Restrictions." Do you see, "In no event
18 shall Walmart sell Mallinckrodt
19 Pharmaceuticals' products to any other party,
20 including, without limitation,
21 wholesalers/distributors or
22 retailers/warehousing chains."

23 Do you see that?

24 A. Yes.

25 Q. So within this sentence,

1 they're not talking about Sam's as a
2 warehousing chain. Sam's is something else.
3 It's a member's only club? They're talking
4 about something else. What's a warehousing
5 chain?

6 MR. CARTER: Object to the
7 form.

8 THE WITNESS: I would suppose
9 it's another retailer that has a
10 warehouse.

11 MR. ECKLUND: Okay.

12 Q. (BY MR. ECKLUND) But at the
13 time you signed this contract, you understood
14 what it meant and you understood the
15 obligations. And if you had questions, you
16 could ask somebody within Walmart's legal
17 department for clarification?

18 A. Yes.

19 Q. Okay. It continues: "Walmart
20 shall purchase all Mallinckrodt
21 Pharmaceuticals products either directly from
22 Mallinckrodt Pharmaceuticals or through a
23 Mallinckrodt Pharmaceuticals authorized
24 distributor/wholesaler and not from any other
25 source."

1 Do you recall who or if there
2 was a Mallinckrodt Pharmaceuticals authorized
3 distributor or wholesaler at the time that
4 you signed this contract?

5 A. I would probably say McKesson
6 would have been that distributor.

7 Q. Why do you think it was
8 McKesson?

9 A. That's where we bought all of
10 our -- that was our primary wholesaler.

11 Q. Okay. You can skip the next
12 paragraph, the one in bold. It's not
13 important for today. At least not important
14 to me for today. It's about how you get paid
15 on the claims and disbursements from
16 Mallinckrodt and vice versa.

17 Do you see that?

18 A. Yes.

19 Q. "Walmart" -- in the next
20 paragraph: "Walmart may indicate its
21 acceptance of all of the terms and conditions
22 contained in this proposal by signing and
23 returning it to Mallinckrodt Pharmaceuticals.
24 If Walmart does not sign and return this
25 proposal, then Walmart's order of the

1 above-listed Mallinckrodt Pharmaceutical
2 products shall constitute Walmart's
3 acceptance of all of the terms and conditions
4 contained in this proposal. If there is a
5 conflict between the terms of this proposal
6 and any other document, this proposal shall
7 govern."

8 Do you see that?

9 A. Yes.

10 Q. Okay. So as I read this, you
11 could do one of two things to accept these
12 modified terms. You could sign and return
13 the contract, which is what you did here, or
14 you could purchase any of the four listed
15 products on the prior page. Do you see that?

16 MR. CARTER: Object to the
17 form.

18 Q. (BY MR. ECKLUND) It said if
19 you don't sign -- do you see that line?

20 A. Yes.

21 Q. If you sign it, you understand
22 you're bound; right? You've accepted these
23 new terms. That's now going to govern the
24 relationship between you and Mallinckrodt
25 concerning those four products. Right?

1 Just those products, just
2 primary position for those four products;
3 right?

4 MR. CARTER: Object to the
5 form.

6 Q. (BY MR. ECKLUND) If we go to
7 the next portion, right, it says, "If Walmart
8 doesn't sign" -- this doesn't become a
9 nullity automatically. If you don't sign it,
10 you could do something else to accept the
11 terms. It says, if you don't sign and return
12 this proposal, then Walmart's order or its
13 purchase if you will, of the above-listed
14 Mallinckrodt Pharmaceutical products shall
15 constitute Walmart's acceptance of all of the
16 terms and conditions contained in this
17 proposal."

18 Do you see that?

19 A. Yes.

20 Q. What does that mean to you?
21 What does that language mean to you?

22 A. If we were to order the
23 product, then we would be accepting the
24 terms.

25 Q. Okay.

1 A. Under my time as a buyer, we
2 didn't order product without a contract
3 signed, to my knowledge.

4 Q. Well, the contract is signed
5 because you've got the -- what we referred to
6 earlier as the master contract or the
7 original contract is the 04000500123. You've
8 got a contract. This is a modification of
9 the contract.

10 So the question is, did you
11 always sign proposals for modifications from
12 suppliers?

13 A. That's what I recall, yes.

14 Q. So if they sent you something
15 saying there's a price decrease, you would
16 always sign it?

17 MR. CARTER: Object to the
18 form.

19 Q. (BY MR. ECKLUND) You wouldn't
20 just buy more and accept the new discount?

21 A. Sitting here today, that's what
22 I recall. I -- we generally would sign if
23 there was a change like that.

24 Q. Generally or always?

25 A. In my role --

1 Q. Yes.

2 A. -- I would get a signature.

3 Q. Okay.

4 A. I would sign.

5 Q. Okay.

6 (Walmart Coleman Deposition

7 Exhibit 4 was marked for

8 identification.)

9 Q. (BY MR. ECKLUND) Ms. Coleman,
10 you've been handed another document. It's
11 been marked as Exhibit 4. It bears two Bates
12 ranges at the bottom.

13 Do you see that?

14 A. Yes.

15 Q. We'll go with the one from the
16 multidistrict litigation, which is
17 MNK-T1_0000367627.

18 Do you see that?

19 A. Yes.

20 MR. ECKLUND: And that's just
21 for the benefit of the people
22 following along on the phone.

23 Q. (BY MR. ECKLUND) All right.

24 Now, this document was sent from Mallinckrodt
25 on November 3rd, 2006.

1 Do you see that? At the top of
2 the page --

3 A. Yes.

4 Q. -- left-hand side.

5 In the middle of the page it
6 says "Revised" in bold and capital letters.

7 A. Yes.

8 Q. Sent to both you and Mr. Badeen
9 at the same address and was sent by fax, or
10 at least it appears to be sent by a fax.

11 And it says,
12 "Mallinckrodt Pharmaceuticals is pleased to
13 offer this contract modification to Walmart
14 to add the below-listed products to the
15 existing contract." And it has a
16 parenthetical, "(July 7, 2000 to December 31,
17 2006.")

18 Do you see that?

19 A. Yes.

20 Q. "Between Walmart and
21 Mallinckrodt Pharmaceuticals on Contract
22 0400500123." That's the same contract
23 number that we described with the prior
24 document.

25 Do you see that the contract

1 remains the same?

2 You can compare the two
3 documents. It's the same number.

4 A. Okay.

5 Q. So the existing contract in
6 2007, August 31st, 2007, and the existing
7 contract November 3rd, 2006 is the same
8 contract number. The document that I've
9 handed you also indicates that that contract
10 has been in effect since July 7, 2000 at the
11 minimum; right?

12 And it continued through at
13 least December 31st, 2006 on the document I
14 just handed you. But obviously it gets
15 continued on -- and we'll get to a document
16 that shows you that -- well into 2007.

17 I'd like to go through this
18 document now.

19 So like the prior document, it
20 includes a table of products and
21 prescriptions. Do you see that?

22 A. Yes.

23 Q. Now, if you compare the two,
24 there's a difference in how the table
25 references the controlled substances.

1 And I just wanted to make sure
2 that we're clear for our understanding of all
3 of your documents.

4 In the first document, all four
5 of the products described are controlled
6 substances. You'd agree, right?
7 Oxycodone/hydrochloride extended release.
8 Whether 10 milligrams or 8 milligrams or
9 anywhere in between, that's a controlled
10 substance; correct?

11 A. Correct.

12 Q. And if you look at the product
13 description, it does not include the
14 additional language at the end of the second
15 document I just handed you, USP C-II 10/325.
16 Do you see that?

17 A. Yes.

18 Q. Does C-II -- C-II indicate
19 controlled substances Class II?

20 A. I don't recall. I mean, I --
21 that would be a -- I suppose it -- that's
22 what that means.

23 Q. Okay.

24 A. I don't know.

25 Q. All right. But you're not sure

1 one way or the other?

2 A. I mean, I know they're a C-II.

3 Q. Okay.

4 A. As a pharmacist, I know they
5 are, but ...

6 Q. But as a buyer --

7 A. I'm assuming that's what this
8 is on this document referencing.

9 Q. Okay. But as a buyer who
10 receives this contract modification on behalf
11 of Walmart, you're not sure one way or the
12 other, sitting here today --

13 A. I would have known this was a
14 controlled substance as a buyer.

15 Q. No, I --

16 A. I don't know what you're
17 asking.

18 Q. That's not --

19 A. Okay.

20 Q. I know you know that it's a
21 controlled substance.

22 A. Okay.

23 Q. What I'm trying to understand
24 is matters of interpretation; right?

25 If I have 50 documents like

1 this, you're giving me a way to understand
2 them by explaining how the table is set up;
3 right?

4 If we talk about C-II, that
5 means controlled substance categories of a
6 Class II?

7 A. Mm-hmm.

8 Q. Whether this document or any
9 other document that's sent out by
10 Mallinckrodt with a revision, a modification
11 or a change of the existing contract entered
12 between Mallinckrodt and Walmart -- that's
13 what I'm trying to understand. So you're
14 not -- are you sure or not sure that "C-II"
15 means "controlled substances"?

16 MR. CARTER: Object to the
17 form.

18 THE WITNESS: I'm not sure.

19 Q. (BY MR. ECKLUND) Okay. Is
20 there anything you could consult that would
21 give you confidence that it is in fact?

22 A. I'm just making assumptions
23 that it is. I don't know for a fact.

24 Q. No assumptions.

25 A. I know. That's why -- that's

1 my answer.

2 Q. That's fine.

3 Okay. Now, if you look at --

4 to the right of the product description.

5 Many ways it tracks the prior document, size,

6 hundreds, so those are bottles with 100

7 pills. Contract price per bottle given to

8 McKesson.

9 So as you mentioned earlier,
10 you thought that there was a chance that they
11 were the wholesaler for Mallinckrodt. Here,
12 it actually reflects that they were involved.

13 Do you see that?

14 A. Yes.

15 Q. Given to --

16 And then it's bold actual
17 contract price per bottle. Do you see
18 there's a dramatic drop? The price for the
19 first product, oxycodone, and acetaminophen
20 tablets.

21 Size, hundreds; right? And
22 these were marked as 10/325s.

23 Do you see that?

24 A. Yes.

25 Q. That's something to do with the

1 unit?

2 A. Yeah.

3 Q. One of those is the oxycodone
4 is the other is the acetaminophen?

5 A. Yes.

6 Q. Okay. And if you look at the
7 row below, oxycodone hydrochloride tablets,
8 5 milligrams? Do you see that?

9 A. Yes.

10 Q. And do you see each one has
11 prescriptions of the size of the dose?

12 A. Yes.

13 Q. And the prices reflect
14 differences in the dosages as well.

15 Do you see that?

16 MR. CARTER: Object to the
17 form.

18 THE WITNESS: Yes.

19 Q. (BY MR. ECKLUND) Okay. So
20 let's use -- we'll use the third one. It
21 doesn't have any asterisks. It's simpler.
22 Oxycodone hydrochloride tablets,
23 15 milligrams. Bottle of 100, contract price
24 per bottle given to McKesson was [REDACTED]

25 Do you see that?

1 A. Yes.

2 Q. The actual contract price of
3 the bottle was [REDACTED]. Do you see that?

4 A. Yes.

5 Q. And the net price per bottle,
6 to Walmart, was [REDACTED].

7 Do you see that?

8 A. Yes.

9 Q. Okay. So Walmart never paid
10 the [REDACTED]. And Walmart didn't pay the
11 actual price of [REDACTED]. The price they were
12 extended and the price they would have paid
13 when purchasing oxycodone hydrochloride
14 tablets on or around November 3, 2006 under
15 this revision to the existing contract would
16 have been [REDACTED]

17 Am I reading this correctly?

18 MR. CARTER: Object to the
19 form.

20 THE WITNESS: I mean, I
21 don't -- with it not being signed, I
22 don't know if we executed this
23 agreement or not. So I can't really
24 say that -- what price we paid for it
25 at that time.

1 Q. (BY MR. ECKLUND) Is there
2 something that exists within Walmart that
3 would indicate what you paid Mallinckrodt at
4 that time?

5 Is there a database?

6 A. Probably.

7 Q. Do you keep within Walmart's
8 pharmacy buying department a file cabinet
9 with signed contracts and modifications?

10 A. I don't know where those --
11 yeah, I don't know where those are kept.

12 Q. But you're confident that they
13 exist in their store?

14 MR. CARTER: Object to the
15 form.

16 THE WITNESS: I don't know.

17 Q. (BY MR. ECKLUND) So they might
18 have been signed and then discarded?

19 MR. CARTER: Form.

20 THE WITNESS: I really don't
21 know.

22 Q. (BY MR. ECKLUND) If you don't
23 keep the contracts, how are people going to
24 know what contract terms govern?

25 A. I would -- I don't know who

1 kept them or where they were kept personally.

2 I don't have knowledge of that.

3 Q. How would you know how much you
4 were paying for the volume of pills you're
5 purchasing?

6 A. These would be -- the price
7 would be in the system, as far as how much I
8 agreed to pay per bottle, from my
9 recollection.

10 Q. When you received a
11 modification to the existing contract, would
12 you go back and look at a prior contract to
13 see whether it was better or worse for
14 Walmart?

15 A. A modification, I didn't always
16 go back to the original contract, if it was
17 adding additional products to it.

18 Q. Do you recall ever going as far
19 back to the original contract, the 0400500123
20 contract?

21 A. I don't recall.

22 Q. Okay?

23 (Walmart Coleman Deposition
24 Exhibit 5 was marked for
25 identification.)

1 Q. (BY MR. ECKLUND) Okay. So
2 I've just handed you another revision -- of
3 what appears to have been a revision sent to
4 you by Mallinckrodt on May 2nd, 2007.

5 In the prior document I
6 mentioned how the existing contract, again,
7 0400500123, was in effect at least since
8 July 7, 2000, and the prior document expired
9 on or around December 31st, 2006.

10 Do you see that?

11 It's in the parenthetical.

12 MR. CARTER: He's asking about
13 this.

14 THE WITNESS: Yes.

15 Q. (BY MR. ECKLUND) Do you see
16 that?

17 If you look at the document
18 that's just been marked, do you see that
19 that's changed?

20 A. Yes.

21 Q. How has it changed?

22 A. It says July 7, 2000 to
23 December 31st, 2011.

24 Q. Okay. So it was extended.

25 That covers the large majority,

1 overwhelming majority of your time as a
2 pharmacy buyer for Walmart; correct?

3 MR. CARTER: Object to the
4 form.

5 Q. (BY MR. ECKLUND) What years
6 were you a pharmacy buyer?

7 A. Let me think back.

8 MR. CARTER: I'll help you out
9 on that. My objection was it covers
10 all of her time.

11 MR. ECKLUND: I thought she
12 stopped at 2012.

13 MR. CARTER: '10.

14 MR. ECKLUND: '10?

15 MR. CARTER: Before '10.

16 MR. ECKLUND: Completely?

17 MR. CARTER: Yeah.

18 MR. ECKLUND: Okay, perfect.

19 That's great. I appreciate the
20 clarification.

21 Q. (BY MR. ECKLUND) So this
22 covers your entire time as a pharmacy buyer
23 for Walmart?

24 A. (Witness nods.)

25 Q. Okay. And this contract, then,

1 would have governed all of the purchases made
2 from Mallinckrodt by you and others within
3 Walmart.

4 Do you see that? The time
5 period is the entire duration.

6 A. Yes.

7 Q. Okay. Let's go through these
8 particulars. So again, same basic setup, a
9 table of products. All four of the drugs
10 identified on this revision are morphine
11 oral.

12 Do you see that?

13 A. Yes.

14 Q. And each one of those is a
15 controlled substance; correct?

16 A. Correct.

17 Q. Again, it says, "These products
18 will be eligible for the [REDACTED] percent rebate
19 (reflected above as net price per bottle)
20 currently in place between Walmart and
21 Mallinckrodt Pharmaceuticals."

22 Do you see that?

23 A. Yes.

24 Q. And again, these drugs, the
25 price, contract price per bottle given to

1 McKesson is included in the table, and actual
2 contract price per bottle is included along
3 with the net price per bottle which takes
4 into account a rebate.

5 Do you see that?

6 A. Yes.

7 Q. Okay. Well, what's somewhat
8 different about this particular document, for
9 me, was that fourth paragraph down below the
10 table, it says, "Upon acceptance of this
11 agreement, Mallinckrodt Pharmaceuticals will
12 become Walmart's primary incumbent supplier."

13 What is a primary incumbent
14 supplier?

15 A. I don't know what the actual
16 words meant in this agreement.

17 I don't know if we executed it,
18 but "incumbent" generally means --

19 Q. That's okay.

20 A. I don't know. I don't know
21 what it means in this text.

22 Q. "I don't know." "I don't
23 recall." "I don't remember" --

24 A. Yeah.

25 Q. -- "No idea," those are all

1 great answers if they're the truth.

2 A. Yeah.

3 Q. So it's not -- not a memory
4 challenge.

5 So sitting here today, you
6 don't remember what "primary incumbent"
7 supplier means, and it's not a term of art
8 that you used routinely in your role as a
9 pharmacy buyer.

10 A. Correct.

11 Q. Okay.

12 A. Correct.

13 Q. Now, this particular revision
14 appears to have provided primary incumbent
15 supplier status to Mallinckrodt for Walmart
16 for only the four listed products above.

17 Do you see on the above-listed
18 products? And then it continues. And will
19 be given -- so Mallinckrodt "will be given
20 the opportunity to 'meet or beat' any
21 written, bona fide competitive bid for any of
22 these products that is received by Walmart."

23 Do you see that?

24 A. Yes.

25 Q. Did Walmart provide

1 meet-or-beat terms to manufacturers or
2 suppliers of prescription drugs?

3 MR. CARTER: Can I just --
4 sorry, are you asking --

5 MR. ECKLUND: Just generally.

6 MR. CARTER: Just generally,
7 not --

8 MR. ECKLUND: Just generally --
9 unlimited. Right.

10 Q. (BY MR. ECKLUND) That's
11 something Walmart might do, offer a potential
12 supplier of prescription drugs an opportunity
13 to, quote/unquote, meet or beat another
14 potential supplier's written offer to supply?

15 A. I've not seen it in that
16 terminology. I don't recall "meet or beat."
17 Sometimes that's referred to as it is in
18 this, like right of first refusal.

19 Q. Did Walmart offer rights of
20 first refusal to certain suppliers of
21 prescription drugs?

22 A. It has been written in certain
23 contracts like it is here, except it's
24 struck.

25 Q. Right. So when you struck it

1 out, obviously that didn't become something
2 that was going to happen at that point in
3 time. It may have changed over time. It
4 might have changed for other manufacturers,
5 but for that particular contract, you struck
6 it out so they did not have a right of first
7 refusal.

8 MR. WATTS: Object to the form.

9 THE WITNESS: I would have to
10 go back to the original agreement for
11 those products specific to this
12 document.

13 MR. ECKLUND: Okay.

14 Q. (BY MR. ECKLUND) Did you ever
15 extend Mallinckrodt or any other
16 pharmaceutical supplier an opportunity to
17 meet or beat another provider's competitive
18 bid?

19 A. In general or specific?

20 Q. Ever. Did it ever?

21 A. For Mallinckrodt?

22 Q. Mallinckrodt or anybody else,
23 ever.

24 Did you ever say, "I received a
25 competitive bid. Do you want to meet or beat

1 it?"

2 A. Depending on the language of
3 the contract, if it was right of first
4 refusal. Not necessarily a controlled
5 substance. That was in general. Yes.

6 Q. Do you recall any occasion
7 where you did in fact do that? Where you
8 received a competitive bid, a written
9 competitive bid from another supplier and you
10 contacted your current supplier and said,
11 "We've received a competitive bid. Under the
12 terms of our contract, we're giving you an
13 opportunity to meet or beat this new
14 competitive bid"?

15 A. It could have occurred. I
16 can't recall any specifics or if it did.

17 Q. And I'm not limiting this to
18 prescription opioids. I'm talking --

19 A. In general.

20 Q. You just don't have any
21 specific recollection --

22 A. I mean, it could have happened.
23 I just don't remember.

24 Q. So you don't have any specific
25 recollection of any occasion where you would

1 have received a competitive bid, written
2 competitive bid and would have contacted
3 another entity and told them, "We've received
4 this competitive bid. This is your
5 opportunity under our contract to meet or
6 beat." You don't have any recollection of
7 that ever occurring?

8 A. It could have occurred. I
9 don't recall any details.

10 Q. Okay. Is it something you
11 would have done in your role as a pharmacy
12 buyer?

13 A. Possibly.

14 Q. Is there anyone else within
15 Walmart who would have been responsible for
16 notifying a current supplier of a competitive
17 bid?

18 A. I can't speak to anyone else
19 or -- it depends on the language of the
20 contract.

21 Q. Well, this contract revision
22 appears to only have been sent to you.

23 (Walmart Coleman Deposition
24 Exhibit 6 was marked for
25 identification.)

1 Q. (BY MR. ECKLUND) Ms. Coleman,
2 I've just handed you another document. A few
3 things we're going to point out just for
4 housekeeping, and then we'll start with the
5 document.

6 MR. ECKLUND: Counsel, at the
7 top of the page you'll note that they
8 hyphenated her first name in this
9 version and in prior versions they had
10 not.

11 We've also had occurrences
12 where they had no space between J-O
13 and L. So just in connection with the
14 collection of her responsive
15 documents, if you could assure us that
16 both Jo, space, Lynn, JoLynn with no
17 space, and Jo-Lynn were used in the
18 search terms for collection of the --

19 MR. CARTER: That's my
20 understanding, but I'll confer with
21 Tara and confirm that.

22 MR. ECKLUND: Appreciate it.
23 Thank you.

24 Q. (BY MR. ECKLUND) All right.
25 Ms. Coleman, I've handed you a document.

1 It's contract modification, and unlike some
2 of the others, it's bold, underlined, and two
3 words.

4 Do you see the prior version
5 was revised, and it's just simple ordinary
6 text? This one is more bold.

7 And our -- at least in my
8 interpretation of documents, I always
9 consider documents that are capitalized,
10 bold, underscored, there's some more urgency
11 to it than just ordinary revised. But that's
12 my interpretation.

13 Do you interpret the top of
14 these two documents in the same way that I do
15 or differently? Same level of urgency? One
16 says "Revised." The other one says "Contract
17 modification," and it's all capitals.

18 MR. CARTER: Object to the
19 form.

20 THE WITNESS: I don't -- you
21 know, they don't come at the same
22 time. I don't know that I would call
23 it out as something --

24 Q. (BY MR. ECKLUND) All right.
25 Well, they're approximately five months

1 apart -- four months apart. Do you see that?

2 One was dated May 2, 2007 and
3 this one is dated September 17, 2007?

4 A. I see that.

5 Q. So when we looked at it, at
6 least when I looked at it, I was curious
7 about why the variation.

8 But let's go through this
9 document.

10 So again, sent only to you.
11 This appears from the shading to have been a
12 copy -- perhaps a copy of a scan, perhaps a
13 copy of an email, perhaps a copy of a fax.
14 It's hard to tell. But the portions in the
15 margins, if you look at it, here, the margins
16 are even in this document.

17 Do you see what I'm talking
18 about?

19 A. Mm-hmm.

20 Q. When you look at this one, is
21 it even or is it askew? Do you see how it's
22 not a straight edge on the sides?

23 A. Yeah.

24 Q. Do you see what I'm talking
25 about?

1 A. Yeah.

2 Q. So not sure if this was
3 something that was scanned or emailed to you.
4 Do you know whether you received scanned or
5 emailed documents from Mallinckrodt?

6 A. I don't know -- I don't know
7 specifically. I -- you know, I don't recall
8 that.

9 Q. Okay.
10 And it's also quite --

11 A. I don't know --

12 Q. Sorry. It's also quite
13 possible that because this was produced in
14 two cases -- you can see there's two Bates
15 stamps -- it may have been scanned again for
16 the most recent production. Okay?

17 So I just want to make that
18 clear. I'm not sure one way or the other.
19 Just wanted to ask you.

20 A. Okay.

21 Q. Okay. So it's, again, the same
22 contract number. Do you see that?

23 A. Yes.

24 Q. It breaks out four drugs:
25 codeine phosphate, codeine phosphate, codeine

1 phosphate and codeine phosphate all blended
2 with acetaminophen. Do you see that?

3 A. Yes.

4 Q. And USP C-III. Is it your
5 understanding that codeine phosphate is a
6 controlled substance?

7 A. Yes.

8 Q. Do you know whether it's in one
9 class or another? Class II? Class III?

10 A. I don't.

11 Q. Okay. Now, below the table in
12 bold language it says, "This above-listed
13 pricing is contingent upon an award of
14 primary position of all of the above, codeine
15 phosphate and acetaminophen tablets."

16 Do you see that?

17 A. Yes.

18 Q. Do you recall whether you
19 ordered and through an order accepted the
20 terms of this contract?

21 A. I do not.

22 Q. Okay. Do you recall purchasing
23 codeine phosphate and acetaminophen tablets
24 from other suppliers on or around
25 September 2007?

1 A. I don't recall.

2 Q. Are there records or systems in
3 Walmart that would reveal that information to
4 us?

5 A. Possibly.

6 Q. At the top of the next page,
7 it's got a volume rebate opportunity. It's
8 very specific to one product.

9 Do you see that? Mallinckrodt
10 Pharmaceuticals is offering Walmart the
11 opportunity to earn an additional volume
12 rebate on its purchase of a specific drug.

13 Do you see that?

14 A. Yes.

15 Q. Now, is that drug a controlled
16 substance?

17 A. Yes.

18 Q. It is. Okay.

19 And the rebate term was from
20 October 1st, 2007 through September 30th of
21 2008. Do you see that?

22 A. Yes.

23 Q. Okay. A few questions.

24 First, do you know whether you
25 accepted the terms of this volume rebate?

1 A. I do not.

2 Q. Okay.

3 Second, do you track or keep
4 records that would reflect when you met
5 certain rebate goals? For example, if you
6 look at the yearly dollar volume, if you sold
7 or -- sorry, not sold -- strike that.

8 If you purchased anywhere from
9 [REDACTED], you did not get a rebate.

10 Do you see that?

11 A. Yes.

12 Q. No VIP rebate.

13 A. Yes.

14 Q. And I understand "VIP" to mean
15 "very important," but I don't know what it
16 means in the context of this document.

17 If you look at the next row,
18 [REDACTED] to just a dollar under [REDACTED].

19 Do you see that?

20 A. Yes.

21 Q. [REDACTED] percent rebate.

22 And then for sales in excess of
23 [REDACTED], there was a [REDACTED] percent rebate.

24 Do you see that?

25 A. Yes.

1 Q. Do you know whether Walmart
2 kept track of rebates it earned in connection
3 with the sale of prescription drugs?

4 A. Someone within Walmart did.

5 Q. Do you know who that is?

6 A. I don't recall.

7 Q. Do you know what department?

8 A. I don't remember.

9 Q. Not confident if it's in health
10 and wellness or some completely different
11 department?

12 A. Or financial. I don't know.

13 Q. Could be finance group? Okay.

14 Is there someone you could call
15 or ask at Walmart to find the answer to that
16 question?

17 A. During this time back --

18 Q. Today.

19 A. -- in this day.

20 Today? Yes.

21 Q. Who would that be?

22 A. I would just have to ask
23 somebody in finance. I -- I really don't
24 know.

25 Q. Okay. So you would first reach

1 out to the finance department to ask the
2 question?

3 A. I guess. Yeah.

4 Q. And they may or may not be able
5 to help you out, but they might be -- might
6 be able to point you in the direction of
7 someone else who could if they can't?

8 A. Correct.

9 Q. Anyone in particular in finance
10 that you would reach out to? Do you have a
11 name in mind?

12 A. I don't.

13 Q. Okay.

14 A. I don't -- I mean, I'm not in
15 the merchandising area and haven't been in a
16 long time, so I don't know their structure or
17 anything now.

18 Q. Okay.

19 (Walmart Coleman Deposition
20 Exhibit 7 was marked for
21 identification.)

22 Q. (BY MR. ECKLUND) Ms. Coleman,
23 you've been handed what has been marked as
24 Exhibit 7.

25 It's another piece of

1 correspondence that appears to have been sent
2 to you, and you alone, at Walmart from
3 Mallinckrodt. At the top of the page it
4 indicates, in bold, capital letters,
5 underlined, "Price decrease."

6 Do you see that?

7 A. Yes.

8 Q. It's dated November 14, 2007.

9 And it concerns three drugs in the table.

10 Hydrocodone bitartrate -- allow
11 you to pronounce that.

12 A. Bitartrate.

13 Q. Bitartrate. Thank you.

14 And it's blended with
15 acetaminophen. It's a tablet, and again, it
16 has C-III, which may or may not be controlled
17 substances category Class III, but we're not
18 sure sitting here today. The same basic
19 layout, size, hundreds.

20 Above it says "New," because
21 they're telling you about a price decrease.
22 New contract price per bottle given to
23 McKesson, and there's an actual contract
24 price per bottle and then a new net price per
25 bottle.

1 Do you see those references?

2 A. Yes.

3 Q. Okay. There's -- one
4 difference was the size. In the prior
5 documents, the size was ordinarily 100 bottle
6 size. If you look back at the exhibit,
7 you'll see what I'm talking about.

8 In the second row, you've got a
9 hydrocodone bitartrate with 500.

10 Do you see that?

11 A. Yes.

12 Q. And it's the same product or
13 drug as the row above. Do you see that?
14 It's the same two ingredients; right?

15 Same size. 7.5/650, 7.5/650.

16 Do you see that?

17 A. Yes.

18 Q. Is it your understanding that
19 these two products are the same product?

20 A. Yes.

21 Q. Is it also your understanding
22 that these two products are, you know, in all
23 other ways equivalent?

24 MR. CARTER: Object to the
25 form.

1 THE WITNESS: By the script,
2 they appear to be equivalent.

3 Q. (BY MR. ECKLUND) There is
4 nothing from the table that indicates to you
5 that the product in the first row was
6 different than the product in the second row?
7 It's the same drug?

8 A. The size is different.

9 Q. Okay. In the first row you've
10 got contract price for 100 pills, and it's

11 [REDACTED]

12 I'm going to try and do math,
13 take a calculator out so you can take my word
14 for it. Take 1770 and I'm going to divide it
15 by 5.

16 So the price, if you were to
17 apply it across the 500, the effective
18 contract price for 100 units, for 100
19 capsules in a bottle of 500 would be [REDACTED].
20 Okay? So it's a discount. Right?

21 And in every other row it's
22 going to be lower. Do you understand that?
23 Because you're starting from the same
24 discount.

25 So if we take [REDACTED] and you

1 divide it by 5, you effectively have [REDACTED].

2 You can check my math if you want.

3 A. Okay.

4 Q. You're okay with that?

5 A. Yes.

6 Q. So it's a discount.

7 Why would a manufacturer
8 provide Walmart a discount on bottles of 500
9 pills?

10 MR. CARTER: Object to the
11 form.

12 THE WITNESS: In some cases we
13 may need a 500-count bottle for some
14 stores, and we may need 100-count
15 bottle for some stores.

16 Q. (BY MR. ECKLUND) But the
17 bottle doesn't go to -- does the bottle go to
18 the store? It goes to the prescribing
19 pharmacist? And what does the pharmacist
20 then do with the bottle? Does the pharmacist
21 open the bottle and dispense pills to the
22 patients as they come in?

23 A. Yes.

24 Q. So the more pills they dispense
25 out of the 500, they'll lower the price for

1 Walmart?

2 MR. CARTER: Object to the
3 form.

4 THE WITNESS: At store level,
5 they don't -- we -- they can order
6 what they want. I'm assuming this
7 is --

8 You know, it's not -- I'm
9 assuming we carry both of them. I
10 can't even confirm that we'd carry the
11 500 or the 100s.

12 They're basically offering one
13 or the other here. Or we did carry
14 both. But I can't -- you can't speak
15 to that.

16 If a store had a volume that
17 they were ordering hundreds over and
18 over, where they could have gotten
19 500s, potentially they would have
20 ordered the 500-count bottle.

21 Q. (BY MR. ECKLUND) Okay.

22 A. But I don't know if we had both
23 of those sizes.

24 Just because it's on this
25 paper, I don't know for sure that we

1 purchased both of them.

2 Q. Do you recall negotiating
3 volume discounts with drug suppliers?

4 So here there's a discount. If
5 you get the 500s, you're paying less per
6 pill? Can we agree to that?

7 A. Yes.

8 Q. Is that something you would
9 have negotiated with the supplier or is that
10 something they would have just offered to
11 you?

12 MR. CARTER: Object to the
13 form.

14 THE WITNESS: I can't speak --
15 I mean, I don't know. It could --
16 they could have just offered it to us.

17 Those are the pack sizes that
18 they would have carried. Outside of
19 that, I really can't say one or the
20 other.

21 Q. (BY MR. ECKLUND) And again,
22 you'll see some of the same language carrying
23 through, ■ percent rebate currently in place
24 between Walmart and Mallinckrodt. So again,
25 continuing that rebate.

1 Again, the meet-or-beat
2 opportunity for the competitive bids.

3 Do you see that?

4 A. Yes.

5 Q. So they keep sending the same
6 contract with the same language over and over
7 again.

8 And again, you know, "Walmart
9 again has the sole obligation" -- at the top
10 of the second page -- the sole obligation "to
11 timely, fully, and accurately report all
12 products, discounts and rebates to Medicaid,
13 Medicare, and/or third-party payers, in
14 accordance with all applicable federal and
15 state laws and regulations." Right?

16 And then at the bottom, "If in
17 all other respects the existing contract
18 remains unchanged." And again, this "all"
19 circles back to the original contract entered
20 somewhere in the neighborhood of July 7, 2000
21 that continued throughout the entire time you
22 were the pharmacy buyer?

23 MR. CARTER: Object to the
24 form.

25 THE WITNESS: Yes.

1 (Walmart Coleman Deposition

2 Exhibit 8 was marked for

3 identification.)

4 Q. (BY MR. ECKLUND) Ms. Coleman,

5 I've just handed you another document that

6 was provided to us by Mallinckrodt. Sent --

7 what appears to have been sent to you, and

8 you alone, at Walmart. And it reads,

9 "Mallinckrodt Pharmaceuticals is pleased to

10 offer this contract modification to Walmart

11 to add the below listed products to the

12 existing contract between Walmart and

13 Mallinckrodt Pharmaceuticals on Contract

14 No. 0400500123."

15 Do you see that?

16 A. Yes.

17 Q. Now, this document's different

18 in a few ways. First, we can all agree that

19 this is the longest list of products included

20 in any of the letters I've shown you so far;

21 right?

22 A. Correct.

23 Q. It's much longer than the

24 others.

25 A. Correct.

1 Q. So let's go through this list.
2 Morphine sulfate, you see the C-II for all
3 the morphine sulfate in the first four rows?

4 A. Yes.

5 Q. And then in the next, on the
6 amphetamines, we've got, again, C-II for
7 those five.

8 Do you see that?

9 A. Yes.

10 Q. And it's your understanding
11 that amphetamines are controlled substances?

12 A. Yes.

13 Q. Okay. And then if you go
14 below, we've got four types of
15 raspberry-flavored morphine sulfate
16 immediate-release concentrated oral solution.

17 Do you see that?

18 A. Yes.

19 Q. Again, C-II. And is it your
20 understanding that morphine sulfate
21 concentrated oral solution would have been a
22 controlled substance as well?

23 A. Yes.

24 Q. Then you've got morphine
25 sulfate, 15-milligram extended release

1 tablets, again, C-II.

2 Do you see that?

3 A. Yes.

4 Q. Is it your understanding that
5 morphine sulfate extended release tablets are
6 controlled substances?

7 A. Yes.

8 Q. And then beyond the morphine
9 sulfates in their various dosage sizes,
10 you've got two variations of oxycodone.

11 Do you see those?

12 A. Yes.

13 Q. And again, C-II.

14 Now, again, most bottles are in
15 units of 100 except for the oral solutions
16 where they're measured in milliliters.

17 Do you see that?

18 A. Yes.

19 Q. And then, when we get down into
20 the remainder, it's Warfarin sodium tablets.

21 Warfarin is not a controlled
22 substance; correct?

23 A. Correct.

24 Q. And none of those rows include
25 that C-II or C-III reference?

1 A. Correct.

2 Q. Okay. So at this point, all of
3 these products became eligible for the
4 [REDACTED] percent rebate currently in place between
5 Walmart and Mallinckrodt Pharmaceuticals. At
6 least that's what was offered to Walmart by
7 Mallinckrodt.

8 Do you recall purchasing any of
9 these products on or around December of 2007
10 from Mallinckrodt?

11 A. I don't recall.

12 Q. And again, there's systems in
13 place within Walmart that would tell you that
14 if you wanted to know it?

15 A. Yes.

16 Q. Okay. Direct your attention to
17 the paragraph starting "Wholesale or
18 differential." Do you see that? It's in
19 bold, underlined.

20 A. Yes.

21 Q. It says, "As indicated above,
22 Mallinckrodt Pharmaceuticals reimbursed
23 Walmart, a wholesale or differential, which
24 consists of the difference between the
25 contract price per bottle given to McKesson

1 and Walmart's new actual contract price per
2 bottle, as listed above multiplied by the
3 number of bottles purchased by Walmart from
4 McKesson, as reported by McKesson to
5 Mallinckrodt Pharmaceuticals."

6 Did I read that correctly?

7 A. Yes.

8 Q. Can you explain to me how this
9 would have worked between your company? So
10 Walmart -- you have a request for restocking
11 from various pharmacies across the country
12 for whom you were responsible for securing
13 the appropriate volume pills or oral
14 solutions.

15 So you would then do what? You
16 would contact McKesson to get the products
17 you need? You would contact Mallinckrodt?
18 To whom would you reach out?

19 A. If we signed this contract and
20 we purchased these products -- I'm not
21 certain. I'm assuming. I'm not certain that
22 we would have this in our warehouse or not,
23 but what this generally means is that if the
24 store didn't get it from our warehouse and
25 purchased it through McKesson, that

1 Mallinckrodt would honor the contract, direct
2 contract price.

3 Q. And the warehouse you're
4 referring to, is that a McKesson warehouse or
5 is that a Walmart warehouse?

6 A. Well, when I say "McKesson,"
7 I'm referring to McKesson, but "warehouse" in
8 general for me is Walmart warehouse.

9 Q. Okay. Do you recall purchasing
10 bottles from McKesson on or around this time?

11 A. You know, we bought product
12 from McKesson. It wasn't all -- more of it
13 was regular prescription products, but I
14 don't recall specifics.

15 Q. Well, some of these are also,
16 you know, ordinary prescriptions --

17 A. Right.

18 Q. -- like Warfarin.

19 A. Correct.

20 Q. I'm just asking, do you recall
21 purchasing from McKesson? So you do
22 generally remember purchasing from McKesson
23 at or around this time?

24 A. Generally, yes.

25 Q. Just not necessarily the

1 morphine sulfate 200-milligram extended
2 release tablets identified at the top of this
3 page?

4 A. Correct.

5 Q. Okay. If you turn to the next
6 paragraph, "Mallinckrodt Pharmaceuticals is
7 offering Walmart the opportunity to earn an
8 additional volume rebate on its purchases of
9 all products" -- and that's capitalized and
10 underlined.

11 Do you see that?

12 "All products on contract with
13 Mallinckrodt Pharmaceuticals from
14 January 1st, 2008 through December 31st,
15 2008."

16 Do you see that?

17 A. Yes.

18 Q. Do you know whether you
19 accepted the term of that contract? Did you
20 accept this opportunity?

21 A. I don't recall.

22 Q. You don't recall? But again,
23 there's a way for you to find out whether you
24 did in fact accept that rebate term?

25 A. I believe there is, yes.

1 Q. Okay. And that opportunity.
2 And it follows, "The chart
3 herein represents the rebate percentage,"
4 that is to say, or "i.e., ■ percent,
5 ■ percent and ■ percent." Do you see
6 that?

7 A. Yes.

8 Q. "That Walmart may earn based on
9 its contract purchases of the contracted
10 products, provided that Walmart's contract
11 purchases of all of the contracted products
12 during the volume rebate term equal or exceed
13 the corresponding yearly dollar volume as set
14 forth below. For example, if Walmart's
15 contract purchases for all contracted
16 products equal ■■■■■■■■, Walmart will have
17 earned a ■ percent rebate on those
18 purchases." Do you see that?

19 A. Yes.

20 Q. Okay. If you'd turn to the top
21 of the next page. It's a chart, a table, and
22 it again includes no VIP rebate earned if you
23 sold under ■■■■■■■■ in volume.

24 Do you see that?

25 A. Yes.

1 Q. Okay. And then from [REDACTED]
2 to just under [REDACTED], it's [REDACTED] percent.

3 Do you see that?

4 A. Yes.

5 Q. It went from [REDACTED] to
6 almost [REDACTED], it's [REDACTED].

7 A. Yes.

8 Q. And then, top volume, [REDACTED]
[REDACTED] over. Do you see that?

10 A. Yes.

11 Q. Do you know whether you sold --
12 or sorry, strike that.

13 Do you know whether you
14 purchased [REDACTED] in product from
15 Mallinckrodt in 2008?

16 A. I do not.

17 Q. Do you know whether you
18 purchased [REDACTED] in product?

19 A. I do not.

20 Q. Is there a way you could find
21 out how much volume you purchased?

22 A. I'm sure there is a way to find
23 that information.

24 Q. And there's also a way for you
25 to find out whether you received any of the

1 additional rebate offered by Mallinckrodt in
2 this document?

3 A. Yes.

4 Q. Okay. And again, you would
5 probably reach out to the finance department
6 first to find out about rebates?

7 A. Or their merchandising.

8 Q. Merchandising?

9 A. Whoever they -- however they
10 are structured today.

11 (Walmart Coleman Deposition
12 Exhibit 9 was marked for
13 identification.)

14 MR. WATTS: If I could please
15 request that we read the Bates numbers
16 of the exhibits in the record. That
17 would be helpful for us on the phone.
18 We'd appreciate it.

19 MR. ECKLUND: Okay.

20 Are you hungry? Are you ready
21 to eat?

22 THE WITNESS: I wouldn't -- you
23 said around 12:00? I'm okay right
24 now.

25 MR. ECKLUND: You waved your

1 hand.

2 THE WITNESS: I don't know when
3 the food is here.

4 MR. ECKLUND: Just wave your
5 hand when you want to break for lunch
6 and we'll break for lunch. Okay?

7 THE WITNESS: Okay.

8 Q. (BY MR. ECKLUND) All right.
9 So I just handed you a document. This
10 document was sent December 14, 2007. So it
11 was sent --

12 MR. CARTER: You gave me a
13 January 16th.

14 MR. ECKLUND: Oh, sorry.
15 Sorry.

16 I guess there are a couple.
17 Oh, there are a couple. Sorry
18 about that.

19 MR. CARTER: So 9 is the
20 December document.

21 MR. ECKLUND: Yeah. Let me
22 have the other ones back so we don't
23 get them confused.

24 MR. CARTER: I wrote "9" on the
25 January 1st. So I'll just scratch

1 that out.

2 MR. ECKLUND: I'm quite sure
3 it's not going to be 9. Oh, the joys
4 of copy service.

5 Okay.

6 Q. (BY MR. ECKLUND) So do you
7 have a document in front of you, December 14,
8 2007?

9 A. Yes.

10 Q. Okay. Now, again it talks
11 again about this opportunity to earn a volume
12 rebate. It's the same table, the same yearly
13 dollar volume, the same rebate percentages.

14 Do you see that?

15 A. Yes.

16 Q. Okay.

17 MR. CARTER: Did you want to do
18 the Bates before we get too far?

19 MR. ECKLUND: Oh, yeah, I
20 apologize. I'm sorry about that.
21 Again, MDL MNK-T1_0000367691.

22 Q. (BY MR. ECKLUND) Again, it's a
23 letter that was sent to JoLynn Coleman.
24 Appears to also have been sent to David
25 Badeen, and starts off "Mallinckrodt

1 Pharmaceuticals is pleased to offer the
2 following rebate opportunity to Walmart
3 Stores, Inc."

4 Now, the volume rebate
5 opportunities are consistent with the prior
6 version. What I'm interested in is on the
7 second page.

8 The top page, first paragraph.
9 Last couple of lines.

10 "All charge-back submissions
11 not complying with the aforementioned will be
12 denied. Walmart shall purchase from
13 Mallinckrodt Pharmaceutical products either
14 directly from Mallinckrodt Pharmaceuticals
15 but through a Mallinckrodt Pharmaceuticals
16 authorized distributor wholesaler and not
17 from any other source."

18 Do you see that?

19 A. Yes.

20 Q. What is a charge-back?

21 A. I'm not sure I remember how
22 that -- what that means in this document.

23 I don't know that I can speak
24 to that.

25 Q. Okay. So again, my

1 understanding of what a charge-back is may be
2 different from yours, so I want you to give
3 us your best, but I'll tell you what I think
4 it is.

5 My understanding is a
6 charge-back is something that arises because
7 you've got a few brand manufacturers or a few
8 suppliers selling directly. And they're
9 distributing their products primarily through
10 a wholesaler.

11 And there's a difference
12 between the manufacturer's price charged to
13 the wholesaler and the manufacturer's
14 contract price with the buyer; right? So
15 you, at Walmart.

16 And it's my understanding that
17 typically, the wholesaler would submit a
18 charge-back request to the manufacturer on a
19 regular basis, and there would be a flow of
20 funds, transfers, invoices, the like, through
21 maybe their electronic data interchange or
22 credits, debits. You could have whatever
23 system you want to think about.

24 What I'm interested in -- and
25 we're going to talk about this after lunch --

1 is how or if Walmart received charge-backs in
2 connection with its sale of prescription
3 opioids or other products.

4 You recall that Walmart
5 uniquely was wholesaling to itself. So what
6 I'm curious about is, did Walmart ever
7 receive charge-back from Mallinckrodt or any
8 other provider of opioids?

9 Do you understand what I'm
10 asking about?

11 MR. CARTER: Object to the
12 form.

13 THE WITNESS: I understand, but
14 I don't know. I can't confirm or
15 deny. I don't recall.

16 MR. ECKLUND: Okay.

17 Q. (BY MR. ECKLUND) Do you
18 disagree with my description of charge-back
19 relationships?

20 A. That sounds what I -- like what
21 I remember. It's been a -- it's been a
22 while, but ...

23 Q. Is there anything you want to
24 correct in how I described it?

25 A. I don't know that I can, you

1 know, make any adjustments to it.

2 Q. So it's good enough for today?

3 MR. CARTER: Object to the
4 form.

5 THE WITNESS: From what I
6 recall sitting here today, yes.

7 Q. (BY MR. ECKLUND) Okay. Good.
8 Were charge-backs something
9 that Walmart would seek out from
10 manufacturers?

11 MR. CARTER: Object to the
12 form.

13 THE WITNESS: I don't remember
14 seeking out charge-backs.

15 Q. (BY MR. ECKLUND) Were
16 charge-backs something that you might have
17 received from manufacturers?

18 MR. CARTER: Form.

19 THE WITNESS: It may have. I
20 don't remember.

21 Q. (BY MR. ECKLUND) And are there
22 any systems within Walmart that would reveal
23 whether or not you had received a charge-back
24 from any manufacturer?

25 A. Possibly.

1 Q. And where might those systems
2 exist?

3 A. Somewhere within the
4 merchandising organization.

5 Q. And if you wanted to reach out
6 to somebody to find out more about the
7 history of Mallinckrodt or any other forms of
8 manufacturer, you would reach out to somebody
9 within the merchandising organization?

10 A. Merchandising or finance. I
11 really don't know who oversees that today.

12 Q. Any names come to mind within
13 merchandising?

14 A. No.

15 Q. Anyone that you'd reach out to
16 in particular in finance?

17 A. No. I mean, I --

18 Q. Go ahead.

19 A. I mean, there are buyers in the
20 area, so I would start with a buyer that I
21 know in the Rx merchandising area. But I
22 don't -- that would be as far as I would be
23 able to take it.

24 Q. Okay. All right.

25 We talked earlier about

1 wholesale acquisition costs, or you called
2 them warehousing acquisition costs. Do you
3 remember? We talked about WAC?

4 A. Mm-hmm.

5 Q. The price which the
6 manufacturer sells to the wholesaler.
7 Generally is that a published price or is
8 that confidential? Wholesale acquisition
9 cost. It's published or confidential?

10 A. It's been a while, but I think
11 it's published.

12 Q. Okay.

13 A. I'm not sure.

14 Q. There's books that have it.
15 There's the database that you had?

16 A. Yes.

17 Q. You could get it from Red Book.
18 Right? Or you could get it -- average
19 wholesale price from the Blue Book. You
20 could put that in your system and you could
21 use that when you're negotiating prices.

22 Do you remember that?

23 A. Yes.

24 Q. And we talked a little about
25 average wholesale price. Do you recall that?

1 A. Yes.

2 Q. None of the contracts that I've
3 shown you today show Walmart actually paying
4 an average wholesale price. That's fair?

5 A. Yes.

6 Q. Okay. And none of them show
7 Walmart actually paying a wholesale
8 acquisition cost. Is that also fair?

9 MR. CARTER: Object to the
10 form.

11 THE WITNESS: From what I've
12 seen. I haven't seen it in these
13 documents.

14 Q. (BY MR. ECKLUND) Now, based on
15 the documents that I've shown you from
16 Mallinckrodt, it -- it seems to me that there
17 are a few factors that would need to be
18 considered by both Walmart and potentially
19 Mallinckrodt as concerns buying and
20 purchasing of prescription drugs, both
21 opioids and others; right?

22 What's the price? How much
23 volume? Is there a rebate? Does the rebate
24 control or govern for that particular product
25 that's purchased or some other product, and

1 potentially a charge-back. And we've gone
2 through all of those documents today.

3 Have you seen that?

4 A. I've seen that, yes.

5 Q. Are there any other factors
6 that would need to be considered in
7 determining how much Walmart would have paid
8 to receive a given volume of product from
9 Mallinckrodt?

10 MR. CARTER: Object to the
11 form.

12 THE WITNESS: I'm sorry, but
13 can you repeat that?

14 Q. (BY MR. ECKLUND) Sure. I'm
15 trying to understand in an absolute sense how
16 much was actually paid for a product. Right?

17 So if you look at just the
18 contract, at any one point in time -- let's
19 assume for purposes of this question that
20 there is a rebate in place, that there's a
21 volume rebate in place and that there's a
22 charge-back in place. Assume all three.
23 Okay?

24 Let's also assume that you've
25 got the 500-count bottles and the 100-count

1 bottles. Right? So you have different pill
2 sizes. You have different prices for
3 different pill sizes, and you have a litany
4 of products. Okay? So you would have to
5 know -- and at the end of an annual basis or
6 if there's a final accounting to figure out
7 who owes what to whom, right? -- how many
8 bottles were bought, at what price they
9 should have been purchased at, whether any
10 rebates have been triggered for those
11 products, whether any volume rebates might
12 apply for the year or for a term, whether any
13 charge-backs were in place. All right?
14 Those are all things we talked a little bit
15 about today.

16 I'm wondering are there any
17 other factors that might have needed to be
18 considered in determining how much Walmart
19 might have paid or been entitled to receive
20 back in connection with its purchase of
21 prescription drugs.

22 MR. CARTER: Object to the form
23 of the question.

24 THE WITNESS: Sitting today,
25 that's all I can think of.

1 MR. ECKLUND: Okay.

2 Q. (BY MR. ECKLUND) Who would
3 handle the reconciliation or the true-ups, if
4 you will, that needed to occur? So you've
5 got -- you did all the purchasing along with
6 David Badeen, possibly Linda Wilson, maybe
7 Cheryl, maybe Patsy Little. You're all
8 buying. Let's assume all of you are buying
9 from Mallinckrodt and others.

10 You know what you're buying for
11 certain pharmacies. They know what they're
12 buying for certain pharmacies, and at the end
13 of the year, Walmart, the company, is going
14 to know whether they hit [REDACTED] in sales
15 volume or not, collectively. Right?

16 A. Yes.

17 Q. Are you with me? Okay.

18 You may not have had to deal
19 with that. They probably didn't have to deal
20 with that. I'm not sure if Paul Bone -- is
21 that --

22 A. Paul Beahm.

23 Q. Beahm?

24 A. Beahm.

25 Q. Okay. Whether Paul Beahm may

1 have to deal with that, but someone had to
2 ultimately figure out what's going to get
3 reconciled. Who owes us what? Or do we owe
4 anyone else; right? Because Walmart would
5 want to not pay a supplier, because if they
6 failed to pay suppliers, suppliers are going
7 to be less willing to work with them;
8 correct?

9 MR. CARTER: Object to the
10 form.

11 THE WITNESS: Possibly.

12 Q. (BY MR. ECKLUND) I mean,
13 definitely. No?

14 I mean, if you don't pay
15 suppliers, they're not going to want to work
16 with you.

17 A. Correct.

18 Q. And in the same vein, if you're
19 trying to buy product and the suppliers don't
20 come through with the product, you're going
21 to be less likely to work with them.

22 A. Correct.

23 Q. So what I'm wondering is, who
24 or what department would have had to
25 reconcile or understand all that information?

1 The rebates, volume rebates, product rebates,
2 different prices for different pills based on
3 bottle size, charge-backs.

4 MR. CARTER: Object to the
5 form.

6 THE WITNESS: I don't remember
7 what department did that in my role as
8 buyer.

9 Q. (BY MR. ECKLUND) But it wasn't
10 your department?

11 A. It wasn't me as a buyer.

12 Q. It wasn't you.

13 And sitting here today, you
14 don't know the extent to which any of these
15 rebates were enforced, whether any of the
16 targets were obtained or exceeded, whether
17 the rebates were paid, whether the
18 charge-backs were triggered. You don't have
19 any recollection about that?

20 A. That's correct.

21 Q. But if you wanted to find out
22 answers to those questions, there's systems
23 in place within Walmart that might provide
24 you the data?

25 MR. CARTER: Form.

1 THE WITNESS: Possibly, yes.

2 Q. (BY MR. ECKLUND) In your role
3 as a pharmacy buyer for Walmart, did you ever
4 have to consider what's often referred to as
5 OBRA 90? The Omnibus Budget Reconciliation
6 Act of 1990?

7 A. I don't recall that being
8 something that I used in deciding for -- as a
9 buyer.

10 Q. Okay. That's -- so I'm going
11 to give you a snippet of what OBRA 90 does,
12 in my understanding.

13 Among other things, OBRA 90
14 specifies that Medicaid programs receive a
15 rebate that's the lower of a best price to a
16 private purchaser or based upon an average
17 manufacturer's price, or AMP.

18 And they do that for each drug,
19 and there's allowances for inflation over and
20 above that of the consumer price index. So
21 it's a formulaic approach, but it requires
22 information from purchasers and sellers of
23 drugs. Okay? Medicaid can't figure out
24 what's the best price available to private
25 purchasers if they don't get that information

1 from private purchasers.

2 Does that make sense?

3 MR. WATTS: Objection to the
4 form.

5 THE WITNESS: Yes.

6 Q. (BY MR. ECKLUND) Is it
7 possible that OBRA 90 concerns, along with
8 other legal requirements, might be why, in
9 every one of the documents I've shown you
10 concerning Mallinckrodt contracts, it says,
11 "Walmart has the sole obligation to timely,
12 fully and accurately report all product
13 discounts and rebates to Medicaid"?

14 MR. CARTER: Object to the
15 form.

16 Q. (BY MR. ECKLUND) Is it
17 possible that OBRA 90 is what they were
18 thinking about?

19 A. What you just read to me, you
20 could -- it could mean that. That's -- I
21 don't know that that is anything that I
22 looked at or referred to as a buyer in that
23 role.

24 Q. Okay. And it's my
25 understanding that the average manufacturer's

1 price is defined to include the average
2 price, including cash discounts and other
3 price reductions paid to drug manufacturers
4 by wholesalers for drugs.

5 Okay?

6 And Walmart has operated as a
7 wholesaler; correct?

8 MR. CARTER: Object to the
9 form.

10 THE WITNESS: We had a
11 distribution center of products. So I
12 guess -- I don't know how you would --
13 would you say that's a wholesaler?

14 I don't know the terminology,
15 but we had a distribution center.

16 Q. (BY MR. ECKLUND) Okay. Did
17 you ever have occasion to work with a company
18 called Humana?

19 A. It's an insurance plan. I had
20 worked in specific special projects with
21 Humana, but ...

22 Q. Which special projects did you
23 work with with Humana?

24 A. Primarily at -- not in my role
25 as a buyer but after my role as a buyer.

1 Q. So in connection with
2 immunizations?

3 A. In connection with working with
4 them to provide services in a store, in an
5 area, for screening and health risk
6 assessment-type work.

7 Q. We talked briefly this morning
8 about home delivery or mail order
9 prescription drugs.

10 Do you recall a Humana Walmart
11 preferred prescription plan that was offered
12 towards the tail end of your term as a
13 pharmacy buyer?

14 A. I know that there was one.

15 Q. What do you recall of that
16 program?

17 A. That there was a Humana Walmart
18 plan. That is pretty much it.

19 Q. Okay.

20 A. I don't -- I don't recall the
21 details of that.

22 Q. Does the name Right Source --

23 A. I don't remember that.

24 Q. -- mean anything? Humana
25 Right Source? No?

1 A. No.

2 MR. ECKLUND: Again, please let
3 me know when you want to take lunch.

4 THE WITNESS: Probably in a few
5 minutes. I need a break.

6 MR. ECKLUND: Do you want to do
7 this one and then we'll take a break?

8 THE WITNESS: Yeah.

9 MR. ECKLUND: That's fine.

10 (Walmart Coleman Deposition
11 Exhibit 10 was marked for
12 identification.)

13 Q. (BY MR. ECKLUND) So,
14 Ms. Coleman, I've handed you a document that
15 I found online. And it's from a presentation
16 that was -- I'll say it was jointly offered
17 by Walmart and Humana. And came out in
18 connection with announcements and press
19 releases.

20 And you can peruse the document
21 if you want. And let me know if you remember
22 listening in to the media teleconference or
23 reading any materials about this particular
24 venture. And you can see that there are
25 press contacts, and there's a date.

1 MR. ECKLUND: And just for
2 counsel on the record, there is no
3 Bates stamp on this document.

4 Q. (BY MR. ECKLUND)
5 September 30th, 2010. Do you see that on the
6 third slide?

7 When you get there, you let me
8 know.

9 A. Okay.

10 Q. So you've had a chance to
11 quickly peruse the slide deck?

12 A. Yes.

13 Q. If you'd turn to the -- what
14 includes the 3 at the bottom. Do you see
15 there's a numbering on the slides?

16 A. Uh-huh.

17 Q. So it appears that the media
18 teleconference was going to be held on or
19 around September 30th, 2012.

20 Do you see that?

21 A. Yes.

22 Q. And if you go to the next
23 slide, you have a picture of a gentleman,
24 William Fleming, vice president, Humana
25 Pharmacy Solutions.

1 Have you ever worked with
2 William Fleming?

3 A. I haven't.

4 Q. Go to the next slide. There's
5 an announcement. Today's announcement.
6 "Beginning with this fall's Medicare
7 enrollment period, November 15th to
8 December 31, 2010, Humana will offer an
9 innovative Medicare Part D plan co-branded
10 with Walmart that provides significant
11 savings on certain prescription medicines for
12 Medicare beneficiaries."

13 Do you see that?

14 A. Yes.

15 Q. If you go to the next page. It
16 talks a little bit about Medicare Part D.

17 Medicare Part D. Prescription
18 plan supported by the Medicare program.
19 Started in 2006. 18 million people enrolled
20 in a stand-alone Medicare Part D plan. And
21 that's based on information available to the
22 Henry J. Kaiser Family Foundation as of
23 April 2010. Do you see that?

24 So --

25 A. Yes.

1 Q. The reference number at the
2 bottom of the page?

3 A. Yes.

4 Q. And it furthers breaks out the
5 numbers. 14.3 million Americans 65 years old
6 or older, and 3.7 million people with
7 disabilities under the age of 65.

8 So those would be the
9 individuals in our society that are
10 participating in the stand-alone Medicare
11 Part D plan. Do you see that?

12 A. Yes.

13 Q. One-third of all prescriptions
14 filled in the U.S. Typical senior fills 42
15 prescriptions per year. So 1/3 of
16 prescriptions filled in the U.S. covered by
17 this new Medicare program. Do you see that?

18 A. Yes.

19 Q. Is that consistent with your
20 understanding?

21 A. Based off of what's on here,
22 yes.

23 Q. You don't have any different
24 understanding?

25 A. I don't have any different

1 understanding.

2 Q. Okay. Just in connection with
3 clinical services, immunizations, you don't
4 have any reason to dispute that number?

5 Okay.

6 MR. CARTER: Object to the
7 form.

8 Q. (BY MR. ECKLUND) There's a
9 prediction, 26 million by 2015. Do you know
10 whether that came about or if it's slightly
11 lower or slightly higher than the actual
12 number?

13 A. I don't.

14 Q. You don't? Okay.

15 I'll direct your attention to
16 the ninth slide. Top of the page. "An
17 innovative solution the Humana Walmart
18 Preferred Rx Plan."

19 PDP.

20 And that's -- "PDP" stands for
21 prescription drug plan; correct?

22 A. I don't know that for certain,
23 but ...

24 Q. You don't know. Okay.

25 If you'd look at the bottom of

1 the page, you can see references to
2 calculations based in part on industry
3 average, PDP premium. Spotlight Medicare
4 prescription drug plans 2010.

5 Do you see that?

6 A. Yes.

7 Q. Okay. So fair to assume -- and
8 we don't like assumptions during depositions,
9 but fair to presume for purposes of this
10 slide that they were talking about a
11 prescription drug plan?

12 A. Yes.

13 Q. Okay. References one low
14 national monthly plan premium of \$14.80 a
15 month.

16 Do you know whether that
17 monthly plan premium went into effect?

18 A. I don't.

19 Q. You don't know whether the
20 Humana Walmart program went into effect?

21 A. I know the Humana program
22 exists, but I don't know what the premium
23 was.

24 Q. Okay. Does it still exist?

25 A. I believe so. I'm not even

1 totally sure about that.

2 Q. Okay. And towards the bottom
3 of the page, it mentions that there's a list
4 of medicines available, Humana.Medicare.com.
5 So that at the time would have included all
6 the medications covered by this preferred
7 prescription plan?

8 MR. CARTER: Object to the
9 form.

10 THE WITNESS: Yep.

11 Q. (BY MR. ECKLUND) It also
12 references a broad competitive formulary
13 comparable to other plans. And again, we
14 talked about formulary lists earlier. That's
15 a list of drugs that might be approved by a
16 particular provider of an insurance benefit.

17 A. Correct.

18 Q. Okay. This document also
19 mentions home delivery mail order co-payments
20 as low as \$0 for generic medications and
21 prescriptions filled using the plan's
22 preferred mail order pharmacy.

23 Have you ever had any dealings
24 with this preferred mail order pharmacy that
25 they're describing?

1 A. I haven't.

2 Q. Okay. Do you know what they're
3 describing?

4 A. I don't.

5 Q. Okay. If you wanted to find
6 out more about it, is there someone you could
7 ask at Walmart?

8 A. Probably.

9 MR. CARTER: Object to the
10 form.

11 Q. (BY MR. ECKLUND) Who would you
12 ask?

13 A. I don't -- I'd go to payer
14 relations and ask.

15 Q. Anyone in particular?

16 A. Probably Jodi Prohofsky or
17 somebody in that area.

18 Q. Could you spell Jodi's last
19 name?

20 A. P-R-O --

21 Q. Best as you can.

22 A. P-R-O-H-O-F-S-K-Y?

23 Q. Okay. Now, if you could shift
24 to what's got an 11 on it. And there's
25 another picture of a gentleman. And I

1 apologize in advance if I mispronounce his
2 last name. It appears to be John Agwunobi.

3 A. Correct.

4 Q. And he is the, at the time,
5 president of Walmart's health and wellness
6 division. And that's the division in which
7 you worked?

8 A. Correct.

9 Q. And do you still continue to
10 work in the health and wellness division?

11 A. Yes.

12 Q. And do you know whether
13 Dr. Agwunobi is still president of that
14 division?

15 A. He is not.

16 Q. Do you know if he still works
17 at Walmart?

18 A. He does not.

19 Q. Do you know who replaced
20 Mr. Agwunobi in the role of president of
21 Walmart's health and wellness division?

22 A. There have been a succession of
23 replacements since he left.

24 Q. Okay. Did you ever have any
25 dealings with Dr. Agwunobi?

1 A. Not directly.

2 Q. Do you have a view as to
3 whether he was a capable and intelligent man?

4 A. From what I experienced.

5 Q. There's a reason why I'm
6 asking.

7 If you'd go to the slide that
8 has the number 13 at the bottom. It says,
9 "Why Walmart? Uniquely positioned to help
10 lower the cost of prescription medications.
11 Hugely successful \$4 prescription program
12 sparked new thinking." And then "Saved
13 Americans \$3.4 billion since 2006."

14 Mentions that those on Medicare
15 are often hit hard with rising healthcare
16 costs because again, many of the individuals
17 on Medicare are retirees living on fixed
18 incomes.

19 And you have "High drug costs
20 cause many Medicare Part D beneficiaries to
21 take less medication than prescribed or
22 forego basic needs to pay for medicines."

23 And then there's a reference
24 that no one should have to choose between
25 groceries and buying medications.

1 So it's talking about Walmart
2 and, in particular, the, quote/unquote,
3 hugely successful \$4 prescription program.

4 After lunch, we're going to
5 start talking about that. Okay?

6 A. Okay.

7 Q. Do you want to turn your
8 attention to slide 15 at the bottom.

9 It says, "The plan provides
10 other great ways to save." And you can see
11 there are three columns beyond drug tier.

12 Do you see that's the drug tier
13 again. That consists of the formulary list
14 or tiering system to control pharmaceutical
15 drug costs. Right? Do you see that?

16 A. Yes.

17 Q. And it's got preferred
18 generics, generics, non-preferred generics
19 and preferred brands and then non-preferred
20 brands.

21 And the non-preferred brands
22 might include specialty pharmaceuticals.
23 It's also possible that preferred brands and
24 non-preferred generic. Right?

25 MR. CARTER: Form.

1 THE WITNESS: It's possible.

2 Q. (BY MR. ECKLUND) Okay. All
3 right. So let's go through this list.

4 \$310 annual deductible for all
5 tiers. And it's got what you pay for a \$30
6 prescription supply. If you go to a
7 preferred pharmacy, like Walmart, Sam's Club
8 or your neighborhood market, table suggests
9 that for the preferred generic, you'd add a
10 \$2 co-pay. Do you see that?

11 A. Yes.

12 Q. And then for the tier 2
13 generic, you've got a \$5 co-pay.

14 Do you see that?

15 A. Yes.

16 Q. And then for the third tier
17 you've got 20 percent co-insurance.

18 Do you see that?

19 A. Yes.

20 Q. What is co-insurance?

21 A. I'm not certain I understand
22 that terminology, what that means.

23 Q. Okay.

24 Do you know whether any of
25 these four tiers, tier 1, tier 2, tier 3 or

1 tier 4, would have included prescription
2 opioids?

3 A. I do not know that.

4 Q. Is there another tier where
5 prescription opioids might have fell?

6 A. I don't know.

7 MR. WATTS: Objection, form.

8 Q. (BY MR. ECKLUND) You might not
9 have been on the formulary list?

10 A. I really don't know.

11 Q. And if you shift your attention
12 to the far right of the page, it's got
13 Right Source Rx mail order. So it's the mail
14 order program described throughout this press
15 release. \$0 co-pay, for preferred generic, a
16 \$0 co-pay for the tier 2 generic, and then
17 the co-insurance, prices are the same.

18 Do you see that?

19 A. Yes.

20 Q. And we talked earlier about
21 mail order for prescription opioids. That
22 was something that was available from
23 Walmart?

24 A. Correct.

25 Q. Do you know whether mail order

1 prescription opioids would have been included
2 within the Right Source Rx mail order
3 program?

4 A. I do not.

5 Q. If they weren't, do you have
6 any idea why they might not have been
7 included?

8 A. I can't really speculate.

9 MR. WATTS: Objection to form.

10 MR. ECKLUND: All right. Let's
11 take a lunch break.

12 THE VIDEOGRAPHER: We are going
13 off the record. 12:43 p.m.

14 (Recess taken, 12:43 p.m. to
15 1:19 p.m.)

16 THE VIDEOGRAPHER: We are back
17 on the record at 1:19 p.m.

18 Q. (BY MR. ECKLUND) Welcome back
19 from lunch.

20 I hear you clearing your
21 throat. If you need to get up and get some
22 water, hot tea, coffee the folks that have
23 hosted this deposition have been tremendously
24 gracious throughout. I'm sure they would
25 accommodate any of the folks who have a

1 request for tea or coffee.

2 A. Okay.

3 Q. So, I want to turn your
4 attention back to mail order.

5 We talked about it in some
6 detail, but I want to just make sure that
7 there's no additional information you could
8 share with us today.

9 Do you know who was in charge
10 of the mail order program at any time within
11 your tenure as a pharmacy buyer for Walmart?

12 A. While I was a buyer, who was in
13 charge of the mail order pharmacy?

14 Q. Yeah.

15 A. I don't recall. I think it
16 changed over to a couple of people. I think
17 Michelle Wise was originally after I left.

18 And then Norm Beck after that.

19 Q. And were they working out of
20 the Orlando office or were they working in
21 Arkansas?

22 A. That was the mail order
23 pharmacy that you asked about, and that was
24 in Carrollton, Texas.

25 Q. Carrollton, Texas. Thank you.

1 How did the mail order work
2 generally? There was a prescription from the
3 prescriber. Was it provided from the
4 prescriber to the mail order program in
5 Carrollton, Texas? Or was it given to the
6 patient, and the patient then submitted it to
7 the mail order program in Carrollton, Texas?

8 Do you understand what I'm
9 asking?

10 A. Could have been either way.

11 Q. Could have been either? Okay.

12 So the -- a request to fill a
13 prescription drug through the mail order
14 program could have been submitted by either
15 the prescriber or the patient who received
16 the prescription from their healthcare
17 provider?

18 A. Correct.

19 Q. Okay.

20 There's no other way they could
21 have submitted a request for a prescription
22 drug through the mail order program?

23 A. Not that I recall.

24 Q. Okay.

25 Hospitals, for example, didn't

1 work with the mail order program?

2 A. Not when I was -- not that I'm
3 aware of.

4 Q. Ambulance or other programs
5 wouldn't?

6 A. Not that I'm aware of.

7 Q. Okay.

8 Who fulfilled the mail order
9 program?

10 Who would actually fill the
11 orders? Was it all handled out of
12 Carrollton, Texas or did they communicate
13 with pharmacy dispensaries in other parts of
14 the company? Did it all happen out of Texas?

15 A. There was one mail order
16 facility that -- and it was all in
17 Carrollton, Texas.

18 Q. Throughout the entire time that
19 it's been in operation?

20 A. To my knowledge, yes.

21 Q. Okay. Were the mail orders
22 received in Carrollton, Texas or were they
23 sent someplace else?

24 A. Mail orders? Meaning orders?

25 Q. Yes.

1 A. From a patient or from a
2 doctor?

3 Q. Yeah, the prescription. Yeah a
4 patient or prescriber.

5 A. They were received in
6 Carrollton.

7 Q. Who shipped the mail orders to
8 the patients?

9 A. The mail order facility.

10 Q. Did they use FedEx?

11 A. I think they used FedEx and
12 UPS. I don't know what they use today.

13 Q. U.S. mail?

14 A. Possible, yes.

15 Q. DHL?

16 A. I don't recall.

17 Q. Okay. When did mail orders
18 become available?

19 A. For Walmart?

20 Q. Yes.

21 A. I'm not certain.

22 Q. Were they available throughout
23 your entire tenure as a pharmacy buyer?

24 A. Yes.

25 Q. Are they still available today?

1 A. Yes.

2 Q. Were prescription opioids
3 available for mail order when you began as a
4 pharmacy buyer?

5 A. Yes.

6 Q. And were they still available
7 until 2016?

8 A. Yes.

9 Q. So approximately 2000 until
10 2016 they would have been available through
11 mail order?

12 A. Yes.

13 Q. Are mail order options
14 available in all 50 states?

15 A. I can't be certain at this
16 point.

17 Q. Okay. Are there any states
18 that you are aware of, sitting here today,
19 that do not allow for mail order options?

20 A. I'm not aware -- I'm not aware
21 either -- one way or the other.

22 Q. Okay.

23 Do you know whether Walmart
24 keeps track of data on total mail order
25 sales?

1 A. Yes.

2 Q. When you were deciding how many
3 pills to purchase on behalf of Walmart, did
4 you take into account mail order dispensing?

5 A. They were a store number, so
6 yes.

7 Q. They were a store? Okay.
8 And the mail order pharmacy in
9 Carrollton, Texas is a -- it's a Walmart
10 facility? It's owned by Walmart?

11 A. Yes.

12 Q. To the best of your knowledge?
13 Before the break, we were
14 talking about sure-ups and trying to keep
15 track of who owes what to whom when. Do you
16 recall that? We were talking about rebates
17 and volume rebates, pill prices and discounts
18 and charge-backs. Do you remember that?

19 A. Yes.

20 Q. Do you recall a dispute
21 concerning hydromorphone in or around January
22 of 2012, between Walmart and Covidien?

23 A. I do not.

24 Q. Okay. If there was an
25 outstanding amount due to Walmart of

1 \$592,000, would that be important for you to
2 know about?

3 A. I believe so.

4 MR. CARTER: Object to the
5 form.

6 THE WITNESS: I believe so. I
7 would say yes, I believe so.

8 Q. (BY MR. ECKLUND) Sitting here
9 today, though, you don't remember being
10 interviewed or asking any questions in
11 connection with a deduction available to
12 Walmart offered by Covidien or Mallinckrodt,
13 if you prefer, concerning hydrocodone?

14 A. I do not.

15 Q. And sitting here today, do you
16 recall any disputes about any other
17 prescription opioids and deductions that may
18 be owed to Walmart from any manufacturer?

19 A. I don't.

20 Q. If you wanted to find out more
21 about deductions that may have been disputed
22 or owed to Walmart based upon contractual
23 terms reached between Walmart and its
24 suppliers, is there a file or a system in
25 place in Walmart where you could go and look

1 for that information?

2 A. Similar to what I've answered
3 before.

4 Q. Okay.

5 So merchandising, finance.
6 Anywhere else?

7 A. Not that I can think of.

8 MR. ECKLUND: I'm not going to
9 mark this, but I am going to try to
10 put it up on the ELMO. For the
11 benefit of everyone on the record,
12 this is Walmart MDL-00038421.

13 Q. (BY MR. ECKLUND) It's -- so
14 this appears to be an email sent by you to
15 you on or around the end of May 2007. The
16 subject is "Hydrocodone/ibuprofen" and you
17 can see there was an attachment.

18 Is this something you would do
19 to just keep track of materials you had sent
20 out? Sort of make sure you don't lose track
21 of stuff you've submitted?

22 A. Possibly.

23 Q. Keeping it on your email system
24 so you have a copy of whatever you sent to
25 other people, so you sent it to yourself so

1 you have a copy?

2 A. Possibly.

3 Q. We'll turn to the second page.

4 MR. ECKLUND: Now, I'll
5 represent for the record, I don't know
6 whether these three punch holes were
7 in the original or if those were
8 copies from my office.

9 Either way, it's immaterial.

10 Q. (BY MR. ECKLUND) Question's
11 about -- who is Interpharm?

12 A. A manufacturer. I don't
13 remember the details about them, but ...

14 Q. Okay. Do you see the terms?
15 The proposal?

16 Was this a proposal that you
17 sent to them or that they sent to you?

18 A. I don't recall.

19 Q. Does it look like a document
20 that you would have prepared and signed for
21 yourself?

22 A. I don't generally do documents
23 like this.

24 Q. Okay. So is the greater
25 likelihood that this is something that was

1 sent to you by them?

2 A. Yes.

3 Q. Okay. They've got a product
4 that's -- it's a generic. It's a hydrocodone
5 bitartrate and ibuprofen product.

6 Do you see that?

7 A. Yes.

8 Q. And they have the size of the
9 tablets, the package size, and I presume that
10 that's 100 unit bottles?

11 A. Yes.

12 Q. That the active ingredient
13 identified?

14 A. Correct.

15 Q. Particular product identifying
16 number?

17 Case pack. And then there's
18 the wholesale acquisition cost, the average
19 wholesale price, and then your contract
20 price. Do you see [REDACTED]?

21 A. Yes.

22 Q. Do you know whether this
23 particular product was included in Walmart's
24 [REDACTED] generic program?

25 A. We didn't -- to my knowledge,

1 didn't have any controlled substances on our
2 [REDACTED] program.

3 Q. Okay. So the [REDACTED] on the
4 contract is unrelated to the [REDACTED] prescription
5 drug program, to the best of your knowledge?

6 A. Correct.

7 Q. Who was John Denman?

8 A. He was with Teva. And he was
9 part of the Walmart account representation
10 from Teva.

11 Q. Okay. How would you
12 characterize your professional relationship
13 with Mr. Denman?

14 A. We had a good relationship.

15 Q. Okay.

16 I'm going to show you two
17 emails that don't need to be marked. Just a
18 couple of questions.

19 MR. ECKLUND: For those
20 following along on the telephone, it's
21 Walmart MDL 000038423.

22 Q. (BY MR. ECKLUND) Referring to
23 the back page, you can see this was sent out
24 by you. Do you see that?

25 A. Yes.

1 Q. Jo Coleman at Walmart.

2 Pharmacy merchandising. That's you.

3 You have various prices. You

4 have totals. Quantities.

5 Do you see all that?

6 A. Yes.

7 Q. And then at the bottom -- I'm

8 sorry it's cut off. "Here is the information

9 you were asking for. Let me know if you need

10 any additional information."

11 What information were you

12 providing Mr. Denman in that chart?

13 Look at these numbers real

14 quick.

15 A. Item numbers, drugs. Looks

16 like -- I can't see the header. It looks

17 like quantities.

18 Q. That's how it was produced to

19 us. I apologize for that.

20 Do you see Endo, DAVA, Endo

21 DAVA, Teva DAVA? Do you see all that?

22 A. Yes.

23 Q. Do you see the number to the

24 right of the various generic manufacturers'

25 names?

1 A. Yes.

2 Q. Do you know whether those are
3 pricing terms?

4 A. I don't.

5 Q. Do you know whether you were
6 providing this to Mr. Denman in the hopes of
7 acquiring product at a better price?

8 A. I don't.

9 Q. Okay.
10 If you'd look at Mr. Denman's
11 email, it reads, "JoLynn, due to the nature
12 of this product, the legal issues and the
13 settlement, we will not be providing a price
14 protection on this product.

15 "We will be selling on a
16 first-come-first-serve basis. I suggest you
17 buy only what you require and rebuy as
18 needed. This will obviously decrease the
19 amount of safety stock you can carry, but
20 that's a decision Walmart will have to
21 carefully weigh. Once you redetermine the
22 appropriate quantities, please send the PO to
23 my attention."

24 A couple of questions. "PO,"
25 that's purchase order?

1 A. Yes.

2 Q. Okay. And do you recall what
3 the legal issues or the settlement was that
4 Mr. Denman was referring to?

5 A. I do not.

6 Q. Was it common for suppliers of
7 products to contact you and send you an email
8 telling you that they'll only be able to
9 provide you some portion of a product, they
10 won't be able to provide you price
11 protection, and that they would reference
12 legal issues in a settlement in
13 correspondence?

14 MR. CARTER: Object to the
15 form.

16 MR. WATTS: Object to the form.

17 THE WITNESS: I can't really
18 speak to it. I don't know one way or
19 the other if it's common. I don't
20 know how common it was.

21 Q. (BY MR. ECKLUND) Was this
22 something that you might see once in a while?
23 Once a month? Once a week?

24 MR. CARTER: Form.

25 THE WITNESS: I really can't

1 speak to it. I don't know.

2 Q. (BY MR. ECKLUND) Ordinary,
3 usual, or uncommon?

4 MR. CARTER: Form.

5 THE WITNESS: I would say
6 uncommon, but I don't -- I don't know.

7 MR. ECKLUND: Okay.

8 Q. (BY MR. ECKLUND) Response to
9 the email that you received from Mr. Denman,
10 you forwarded it along to a gentleman named
11 Kevin Head. Who is Kevin Head?

12 A. He was in replenishment at the
13 time, I believe.

14 Q. Replenishment within Walmart?

15 A. Yes.

16 Q. Did he also work in health and
17 wellness division?

18 A. Yes.

19 Q. Did he report to you or did you
20 report to him?

21 A. No. Actually, they had
22 different reporting structure for the
23 replenishment side.

24 Q. Okay. You wrote Kevin, "Can
25 you work a time on my calendar with Jessica

1 for us to discuss this? We need to decide
2 what we need to order."

3 Who was Jessica?

4 A. She was my assistant.

5 Q. So earlier when we were talking
6 about the emails and the correspondence
7 between you and Mr. Badeen and I asked you
8 how you might have come to have a letter or
9 an email sent to Mr. Badeen and why you might
10 have signed it, it could have been an
11 assistant? This could have been Jessica that
12 might have provided something?

13 A. Could have been there were
14 times when we had an assistant and there were
15 times when we didn't have an assistant.

16 Q. Okay. All right.

17 And if you look at the time
18 this email was sent, it was sent at 4:18 in
19 the afternoon. Do you see that? 4:18 p.m.?

20 A. Yes.

21 Q. Okay. Here is the same email
22 from Mr. Denman, and you sent a response to
23 him about three minutes later.

24 "John, I shared some info with
25 you yesterday that I feel like was important

1 for you to know. But see that you are using
2 that against me with this email. I would
3 like to discuss further."

4 How was he using information
5 against you?

6 A. I don't recall. I don't
7 remember this.

8 Q. You have no recollection of why
9 you would have sent an email to Mr. Denman
10 suggesting that he was using information that
11 you shared with him that you felt was
12 important for him to know, and that you
13 needed to tell him that in your view, he was
14 using that information against you.

15 MR. CARTER: Object to the
16 form.

17 THE WITNESS: I don't remember.

18 Q. (BY MR. ECKLUND) Is it common
19 for you to send an email like this to a
20 supplier?

21 MR. CARTER: Form.

22 THE WITNESS: I don't know. I
23 would say no.

24 Q. (BY MR. ECKLUND) Do you
25 recall?

1 A. I don't know.

2 Q. Do you recall any other
3 occasions where you would have sent an email
4 saying that "you were using something against
5 me" to a supplier?

6 A. I don't recall.

7 Q. Okay. So you don't recall the
8 legal issues, you don't recall the
9 settlement, and you don't recall why you
10 might have felt that he was using something
11 against you?

12 A. Correct.

13 Q. Okay. If McKesson was unable
14 to provide Walmart with an appropriate amount
15 of volume, so the contracted amount of volume
16 of a pill, particularly a controlled
17 substance, exclusively controlled substance,
18 okay?

19 We can -- let's just agree it's
20 hydrocodone. Okay?

21 A. Okay.

22 Q. If McKesson was unable to
23 obtain it, were you permitted to substitute
24 controlled substances from other suppliers?

25 A. If there was a supply sheet

1 where we couldn't get one supplier, we would
2 identify a supplier that could supply it. So
3 there -- that would -- could be possible.

4 Q. And when you did that, would
5 you notify the DEA?

6 A. I didn't have any part of
7 notifying the DEA of anything in my role as a
8 buyer.

9 Q. Do you know if anyone else
10 within Walmart would notify the DEA of
11 substitution of controlled substances?

12 A. I do not.

13 Q. If you wanted to find out the
14 answer to that question, would there be a
15 place you could go in Walmart to find that
16 answer?

17 A. I suppose.

18 Q. Maybe a person that you've
19 talked to within Walmart that would --

20 A. Yes.

21 Q. -- answer that question?
22 Would that person be in the
23 compliance group? The finance group?

24 A. I really don't know.

25 Q. Okay.

1 Have you ever heard the term
2 "fill or kill" as it concerns prescription
3 opioids?

4 A. I have not.

5 Q. No?

6 Have you ever heard the term
7 "fill or kill" as it concerns any other
8 prescription drugs and the ability to supply
9 a volume that's been contracted for?

10 A. I have not.

11 (Walmart Coleman Deposition
12 Exhibit 11 was marked for
13 identification.)

14 Q. (BY MR. ECKLUND) So we're
15 marking a document Bates stamped
16 ENDO-OPIOID_MDL-04183970.

17 This appears to be a mail merge
18 letter that was sent out to Ms. Linda Wilson
19 as a pharmaceutical buyer, Mr. Badeen as a
20 pharmaceutical buyer, and Ms. Coleman as a
21 pharmaceutical buyer.

22 Do you see that, Ms. Coleman?

23 A. Yes, sir.

24 Q. And again, your recollection is
25 that Ms. Wilson did not provide that role

1 within Walmart?

2 A. Correct.

3 Q. All right. Let's talk about
4 this document. It reads, "Endo
5 Pharmaceuticals, Inc. is announcing a price
6 increase to reflect current market conditions
7 for and all" -- I suspect it meant "any and
8 all" -- SKUs of Percocet, with the exception
9 of the hospital unit dose package.

10 "The new prices will be
11 effective April 1st, 2010. Listed below are
12 the new prices of the affected MDC for your
13 review." Do you see that?

14 A. Yes.

15 Q. Okay. I'd like to just focus
16 on a few particular differences in this
17 particular document and the ones we went
18 through earlier with Mallinckrodt.

19 First, there's no rebate
20 reflected on this contract, is there?

21 A. Correct.

22 MR. WATTS: Object to the form.

23 Q. (BY MR. ECKLUND) In fact, it
24 just says "Product, package, NDC and
25 wholesale acquisition cost" with an asterisk.

1 And then the asterisk says, "Endo's wholesale
2 acquisition cost for list price for any
3 product of the undiscounted price offered to
4 wholesalers by Endo does not reflect
5 discounts, rebates or other price concessions
6 that may be offered by Endo and does not
7 necessarily represent the actual price paid
8 by wholesalers or direct customers."

9 What I'm wondering is, is that
10 that they did not offer discounts, rebates or
11 price concessions or not?

12 It says it's not reflected in
13 this.

14 MR. CARTER: Form.

15 Q. (BY MR. ECKLUND) Do you see
16 what I'm saying? Do you recall whether --

17 MR. WATTS: Object to the form.

18 Q. (BY MR. ECKLUND) Do you
19 recall, looking at this document, whether
20 Endo was providing Walmart discounts, rebates
21 or other price concessions off of the
22 wholesale acquisition cost?

23 A. I don't know.

24 Q. Is that something that might
25 have been reflected in a contract?

1 A. Possibly.

2 Q. Do you recall ever reviewing
3 any contracts for the purchase of controlled
4 substances from Endo in your role as pharmacy
5 buyer for Walmart?

6 A. Possibly.

7 Q. Do you possibly recall it or
8 you're not sure?

9 A. I'm not sure.

10 Q. Okay. It continues, "Please
11 note that we will not be offering an
12 allocated buy-in related to this pricing
13 action.

14 "Revised prices will be mailed
15 to you under separate cover."

16 Do you see that?

17 A. Yes.

18 Q. What is an "allocated buy-in"?

19 A. There were times when a
20 brand -- which this is a brand -- would have
21 a price increase, and there are times when
22 you could have purchased it at their price
23 before the price increase.

24 Q. And you might have been
25 allocated a particular number of those pills

1 based upon a formula or prior purchases? How
2 might they allocate?

3 A. I'm not certain how they would
4 allocate that.

5 MR. WATTS: Object to form.

6 Q. (BY MR. ECKLUND) It continues,
7 "Our revised prices will be mailed to you
8 under separate cover."

9 Do you recall receiving a
10 revised price list from Endo concerning these
11 drugs?

12 A. I don't.

13 Q. Do you recall approximately how
14 often Endo would send you revised price lists
15 in the mail?

16 A. I don't.

17 Q. Once a month?

18 A. There were many manufacturers
19 that we -- you know, we worked with. So to
20 keep up with who sent what, I mean, I just --
21 I don't recall it.

22 Q. I understand. I appreciate
23 that. Okay.

24 (Walmart Coleman Deposition
25 Exhibit 12 was marked for

1 identification.)

2 MR. ECKLUND: And for the folks
3 following on the phone, this is
4 ENDO-OPIOID_MDL 02384254.

5 Q. (BY MR. ECKLUND) This is a
6 series, again, of merged letters. It's
7 unclear to us whether it was sent out, but it
8 appears to have been.

9 And it appears to have been
10 sent to Linda Wilson as a pharmaceutical
11 buyer for Walmart, David Badeen as a
12 pharmaceutical buyer for Walmart, and lastly,
13 Ms. Coleman as a pharmaceutical buyer for
14 Walmart.

15 Unlike the prior document which
16 concerned Percocet, this particular letter
17 concerned Opana Extended Release and Opana
18 5 milligram and Opana 10 milligram. It's
19 dated January 7, 2011.

20 Do you recall receiving this
21 letter from Endo, Ms. Coleman?

22 A. I do not.

23 MR. CARTER: I'm sorry, hold
24 on. The one that I have is a 2012. I
25 think I might have a different copy.

1 MR. ECKLUND: Use this one.

2 MR. CARTER: Sorry, I wrote on
3 that one.

4 MR. ECKLUND: That's odd.

5 Okay. Just use that one.

6 Q. (BY MR. ECKLUND) Okay. Do you
7 recall that document?

8 A. I do not.

9 Q. If you look at the top of the
10 page, the format of this document is
11 consistent with the prior document. It's got
12 the same basic table setup? Four columns
13 with the same headers?

14 A. Yes.

15 Q. Okay.

16 Does it reflect any rebates,
17 discounts?

18 MR. CARTER: Hold on one
19 second. I'm sorry. She's looking at
20 something dated 2010. What I now have
21 is 2011.

22 MR. ECKLUND: Hang on. I don't
23 know what happened with the copies.

24 MR. CARTER: You might have
25 given us all three of your originals.

1 MR. ECKLUND: Let's go off the
2 record.

3 THE VIDEOGRAPHER: We're going
4 off the record. The time is 1:48.

5 (Recess taken, 1:48 p.m. to
6 1:50 p.m.)

7 THE VIDEOGRAPHER: We are back
8 on the record at 1:50 p.m.

9 (Walmart Coleman Deposition
10 Exhibit 13 was marked for
11 identification.)

12 (Walmart Coleman Deposition
13 Exhibit 14 was marked for
14 identification.)

15 Q. (BY MR. ECKLUND) Ms. Coleman,
16 I have handed to you what have been marked as
17 a series of exhibits. Importantly, two of
18 them postdated your involvement as a pharmacy
19 buyer for Walmart. Were not sent to you
20 directly, based upon what we received in the
21 production. Do you see that?

22 A. All of these have my name on
23 them.

24 MR. CARTER: He's asking you
25 about the dates.

1 THE WITNESS: Oh, the dates.

2 Q. (BY MR. ECKLUND) Yeah. So
3 they were all sent, but you weren't there.

4 A. Okay.

5 Q. That's what we're getting at.

6 A. Okay.

7 Q. So they sent it out using their
8 letter merge distribution system.

9 And they may not have realized
10 about your transition over into clinical
11 services and immunizations.

12 A. Okay.

13 Q. So they sent it to the three,
14 but it's unlikely that you've ever seen two,
15 because you were in your new role.

16 Do you see the dates?

17 A. Yes.

18 Q. And that's when you were
19 working in immunizations?

20 A. That's when I was regional
21 director.

22 Q. Regional director. But you
23 were not a pharmacy buyer?

24 A. Correct.

25 Q. Okay. What I'd like you to do

1 is just to look at the three documents and
2 just confirm that the format and structure of
3 those three documents is consistent. Four
4 columns, same setup for tables, same
5 language, and none of them references a
6 master contract, an original contract, or any
7 revisions or modifications to some specific
8 contract. Do you see that?

9 MR. WATTS: Objection to form.

10 THE WITNESS: Yes.

11 Q. (BY MR. ECKLUND) And turning
12 just to the one document that you would have
13 likely received during your time as a
14 pharmacy buyer, which would be the earliest
15 of the three. Do you have any specific
16 recollection of that document?

17 A. I do not.

18 Q. Okay.

19 Does it include controlled
20 substances?

21 A. Yes.

22 Q. Do you know whether that was
23 the agreement that was in place at the time
24 for those particular controlled substances?

25 MR. WATTS: Object to the form.

1 THE WITNESS: I don't know.

2 Q. (BY MR. ECKLUND) Who is
3 Kayla Kelnhofer?

4 A. She was the Walmart account rep
5 for several companies. Endo was one of them.

6 Q. Okay. Do you recall attending
7 any meetings with Ms. Kelnhofer in the spring
8 of 2005 concerning fentanyl or Oxycontin?

9 A. I don't recall that
10 specifically.

11 Q. Do you recall any conversations
12 or discussions concerning RFIDs?

13 A. I don't recall the details. I
14 don't.

15 Q. Okay.

16 A. I don't remember.

17 Q. And RFID, is that a radio
18 frequency identification?

19 A. I believe so.

20 Q. Okay. And you don't have any
21 specific recollection of that meeting that
22 might have occurred about 12 or so years ago?

23 A. I don't.

24 Q. Okay. Did you ever work with
25 Art Alderson within Walmart?

1 A. Yes.

2 Q. Who is Art Alderson?

3 A. I don't remember his exact
4 title. He was a VP over -- I don't even
5 remember. I reported -- I didn't report
6 directly to him, but when I was at mail
7 order, he was involved.

8 Q. Earlier today we were talking
9 about certain DEA forms. In particular I
10 mentioned the Form 222. Do you remember that
11 portion of the deposition?

12 A. Yes.

13 Q. Okay. You were confident you
14 had not submitted those forms in your role as
15 a pharmacy buyer.

16 Do you recall that testimony?

17 A. Yes.

18 Q. Do you know whether
19 Bruce Painter might have submitted 222 forms?

20 A. I really don't know.

21 Q. Do you know whether the
22 pharmacy merchandising managers would have
23 been responsible for submitting the Form 222
24 forms?

25 A. I really don't know.

1 All I can speak to is as a
2 buyer, I was never -- I never submitted DEA
3 222s.

4 Q. Who is Doug Statler?

5 A. I don't remember what company
6 he was with, but he was on the Walmart
7 account with a manufacturer.

8 Q. Okay. Leon Nevers?

9 A. I'm not familiar with that
10 name.

11 Q. J.D. McCall?

12 A. I'm not familiar with that
13 name.

14 Q. Dale Kelly?

15 A. I'm not familiar with that
16 name.

17 Q. Jesse Talamantez?

18 A. Not familiar with it.

19 Q. Rick Mingory?

20 A. Not familiar with that.

21 Q. John Bonner?

22 A. That name sounds familiar.

23 Q. Who is John Bonner?

24 A. I don't remember. I just
25 recognize the name.

1 Q. All right. We talked earlier
2 about whether you may have received updates
3 on sales for prescription drugs or controlled
4 substances from suppliers and whether that
5 might be considered by you in connection with
6 your volume orders.

7 Do you recall that testimony?

8 A. I do.

9 MR. ECKLUND: Okay. And I'm
10 looking at this document. And I'll
11 just -- I'll represent for the record,
12 it's the last page of a document that
13 was produced,
14 ENDO-OPIOID_MDL-01974008.

15 It's an email. You can have it
16 if you want. We don't need to mark it
17 into the record.

18 Q. (BY MR. ECKLUND) But I only
19 want to give you the third page. We were
20 talking about confidentiality earlier. I
21 don't know that you can see the rest of this
22 without me getting permission from everyone
23 else, and I don't want to go through the
24 process and hassle of doing it now.

25 A. Okay.

1 Q. You have had a chance to look
2 at the document, and you noted that you
3 believe that some of these individuals worked
4 at different companies. Some of them you
5 have no idea where they may have worked,
6 making it extraordinarily difficult to
7 impossible for us to request from counsel for
8 the various defendants permission to use the
9 entire document with you, and the entire
10 email string did not include you, so we're
11 not going to do that.

12 Instead I'm just going to call
13 your attention to that one sheet. It reads,
14 "Subject Opana market information. The
15 following is an update regarding TRx
16 progress." What does "TRx" stand for?

17 A. I'm not sure.

18 Q. Okay.

19 "Progress on Opana IR."

20 Is that immediate release?

21 A. Yes.

22 Q. "And Opana Extended Release"?

23 A. Yes.

24 Q. "I just wanted to send this to
25 give you an idea of how many scripts are

1 being generated" -- and I suppose she meant
2 generated -- "and by whom. This should also
3 help with purchasing to ensure you have
4 adequate inventory of appropriate strengths.
5 Please let me know if you have any questions
6 or concerns."

7 It's got some statistics.
8 Opana ER -- it looks like TRx stands for
9 total prescriptions were up 4.3 percent.

10 Do you see that?

11 A. Yes.

12 Q. It says "Opana Immediate
13 Release." Again, it appears total
14 prescriptions were up 13.6 percent. Opana ER
15 distribution by specialty. Pain specialists
16 wrote the majority of Opana ER with
17 58 percent of total prescriptions.

18 PCPs. Does that stand for
19 primary care practitioners or pain clinic?
20 Do you have any --

21 A. I'm not sure in this reference.

22 Q. PCPs with 20 percent of the
23 total prescriptions and all others with
24 14 percent.

25 And then hematologists and

1 oncologists wrote 0.6 percent of
2 prescriptions for the week ending 11/17/2006.

3 What are -- do you know what
4 hematologists treat?

5 A. Generally that's liver, I
6 guess.

7 I don't know.

8 Q. Blood disorders?

9 A. Yeah. Blood disorders.

10 Q. Do you know what an oncologist
11 treats?

12 A. Cancer.

13 Q. This seems -- so between the
14 two, hematologists and oncologists combined,
15 they're responsible for writing less than
16 1 percent of prescriptions for that week.

17 Is that right?

18 A. That's what that says, yeah.

19 Q. Do you have any reason to
20 dispute it?

21 A. I can't really say either way.

22 Q. Would Kelly -- would
23 Kayla Kelnhofer have known, in her role as
24 national account executive for Endo
25 Pharmaceuticals, who was writing

1 prescriptions for their drugs in a given
2 week?

3 MR. CARTER: Object to the
4 form.

5 MR. WATTS: Objection to form.

6 THE WITNESS: I don't know
7 whether she would get information with
8 that. I don't know.

9 Q. (BY MR. ECKLUND) It continues,
10 "In the strong opioid extended release
11 market, Opana Extended Release achieved 0.54
12 percent of the total market, 312,771
13 prescriptions. Opana ER share is up
14 0.02 percent from the previous week."

15 And then she continues, the
16 market includes Opana ER, Avinza, Kadian,
17 oxycodone, brand and generic, MS ER, and
18 fentanyl patches. Brand and generic.

19 Do you see that?

20 A. Yes.

21 Q. Okay. Do you know what Avinza
22 is?

23 A. I don't recall.

24 Q. Do you know whether it's -- or
25 you don't recall. If it's a controlled

1 substance, you don't recall anything about
2 Avinza?

3 A. I really don't remember.

4 Q. Kadian?

5 A. I don't remember that one
6 either.

7 Q. Oxycodone?

8 A. Yes.

9 Q. What's oxycodone?

10 A. It's a controlled substance.

11 Q. Okay. And at the time it was
12 available in both brand and generic?

13 A. I can't remember. I'm --

14 Q. It's likely?

15 A. That's what it says.

16 Q. It's likely that was the case?

17 A. Likely.

18 Q. Do you know what MS ER stands
19 for?

20 A. I don't.

21 Q. Possible it stands for morphine
22 sulfate extended release?

23 A. Possible.

24 Q. But sitting here today, you
25 don't know?

1 A. Yeah.

2 Q. Okay. And fentanyl patches.

3 Do you know what those are?

4 A. I'm familiar with them.

5 Q. Controlled substance?

6 A. Yes.

7 Q. Do you agree or disagree with
8 Kayla Kelnhofer's representation that the
9 opioid extended release market in or around
10 November of 2006 was strong?

11 MR. CARTER: Object to the
12 form.

13 THE WITNESS: Sitting here
14 today, I can't really speculate. I
15 don't recall what the market was.

16 Q. (BY MR. ECKLUND) Do you
17 remember whether you were buying more opioids
18 in 2006 than you were in 2005?

19 A. I don't.

20 Q. Do you know whether you were
21 buying more in 2000 than you were in 2012?

22 MR. CARTER: Object to the
23 form.

24 THE WITNESS: I don't.

25 Q. (BY MR. ECKLUND) Do you know

1 whether you bought more in 2010 than 2002?

2 A. I don't.

3 Q. Is there any way you could find
4 out whether you were buying more prescription
5 opioids at any point in time between the time
6 you started as a pharmacy buyer and the
7 conclusion of your role as a pharmacy buyer
8 for Walmart?

9 A. I would have to leverage
10 resources like we've spoken of previously.

11 Q. Okay. Earlier this morning we
12 were talking about relationships between
13 Walmart and certain manufacturers, and you
14 mentioned things like consistency, the
15 ability to develop -- to deliver volume.
16 Right? Do you recall that? Track records
17 and the like?

18 And you also mentioned that
19 sometimes you'd favor a new entrant into the
20 market to create a relationship. So just for
21 purposes of complete testimony --

22 MR. WATTS: Object to the form.

23 MR. ECKLUND: You're right.

24 That wasn't testimony. That was a
25 recitation of her testimony. I

1 apologize for that.

2 Q. (BY MR. ECKLUND) Do you recall
3 on or around February 2007 Walmart receiving
4 a number of empty bottles from Endo?

5 A. I do not.

6 MR. WATTS: Object to the form.

7 Q. (BY MR. ECKLUND) Is that the
8 kind of thing that you would have taken
9 seriously if you were a dispensing pharmacist
10 prior to your time as a pharmacy buyer?

11 A. Yes.

12 Q. Receiving empty bottles, it's
13 troublesome?

14 A. Yes.

15 Q. If a Walmart pharmacy received
16 a series of empty bottles, was there a plan
17 in place to restock them, get them supplied
18 quickly?

19 A. We would -- I mean, if they
20 contacted and we needed to supply them, we
21 could order it for them or they could order
22 it themselves.

23 Q. Okay. So empty bottles is a
24 problem. We can agree to that. Yes? It's a
25 problem that needs to be addressed.

1 MR. CARTER: Object to the
2 form.

3 THE WITNESS: It's a concern.

4 Q. (BY MR. ECKLUND) It's a
5 concern.

6 A. As a pharmacist, yes.

7 Q. Do you remember working with a
8 company called Ethex? E-T-H-E-X?

9 A. Yes.

10 (Walmart Coleman Deposition
11 Exhibit 15 was marked for
12 identification.)

13 Q. (BY MR. ECKLUND) It's Walmart
14 MDL 000038419. I'm going to show it to
15 everybody. I'm going to hand it to you, and
16 then we're going to talk about it a little
17 bit.

18 For the purposes of what I'm
19 showing to you, specifically it talks about
20 purchases of morphine sulfate concentrated
21 oral solution in or around the end of the
22 year, December of 2006.

23 Do you see that? December 27,
24 2006. This correspondence was sent to
25 Mr. Badeen.

1 Is that your signature at the
2 bottom?

3 A. Yes.

4 Q. Okay. So this acknowledges
5 that you were purchasing supply from a
6 company called Ethex.

7 Is Ethex a company that you did
8 a lot of work with? A little work with? Or
9 you have no recollection one way or the
10 other?

11 A. I really don't recall.

12 Q. Do you know whether Walmart
13 still works with Ethex?

14 A. I do not.

15 Q. Do you know whether Ethex still
16 exists?

17 A. I do not.

18 (Walmart Coleman Deposition
19 Exhibit 16 was marked for
20 identification.)

21 MR. ECKLUND: For the folks
22 following along on the phone, we're
23 looking at a document that was
24 obtained from the archives of the FBI
25 website from the St. Louis office. It

1 concerns a press release dated
2 March 2nd, 2010 that was downloaded on
3 December 10th, 2018.

4 Q. (BY MR. ECKLUND) Title of which
5 is "Ethex Corporation, a subsidiary of KV
6 Pharmaceutical, pleads guilty to two felonies
7 and agrees to pay the United States
8 \$27,568,921 for fine, restitution, and
9 forfeiture."

10 Ms. Coleman, I'd like to direct
11 your attention to the paragraph -- second
12 paragraph talking about certain prescription
13 drugs.

14 It says, "According to
15 documents filed with the Court, Ethex and KV
16 were collectively engaged in the development,
17 manufacturing and sale of prescription drugs,
18 including dextroamphetamine sulfate, a drug
19 used to treat attention deficit disorder in
20 children, propafenone, a heart medication.
21 On May 7th and 8th of 2008, KV and Ethex
22 received two complaints reporting the
23 discovery of oversized morphine sulfate
24 tablets. During this timeframe, KV
25 manufactured numerous types of drugs with BB2

1 tablet presses including morphine sulfate,
2 propafenone HCL -- that's a hydrochloride,
3 and dextroamphetamine sulfate. These tablet
4 presses have been used by the company for a
5 number of years, and by May 2008 these
6 machines lacked some of the safety and
7 automation features that more modern tablet
8 press machines currently have."

9 Sitting here today, do you have
10 any recollection of Walmart receiving or
11 raising complaints about oversized morphine
12 sulfate tablets?

13 A. I don't recall that.

14 Q. And if Walmart had received
15 oversized morphine sulfate tablets, would
16 that have been something that you would have
17 been told about?

18 A. Possibly.

19 Q. Would it have been important
20 for you to know that one of the suppliers was
21 providing oversized medication tablets in
22 your role as a pharmacy buyer?

23 A. Yeah.

24 Q. Is this something that might
25 have precluded you from working with a

1 particular supplier?

2 A. Possibly.

3 Q. Is there any likelihood at all
4 that you would have continued buying from a
5 company like this that lacked controls on
6 pill size?

7 A. It would be part of my
8 decision, yes.

9 Q. So it's possible you would have
10 continued to purchase from Ethex
11 notwithstanding that?

12 A. It would have been a decision
13 to determine who I purchased from.

14 Q. Who is James Burnett?

15 A. I believe he was a Walmart
16 account rep for a company. I just can't
17 recall the company.

18 Q. I'll represent that the
19 document I have was produced by Par. It
20 bears Bates stamp PAR_OPIOID_MDL_0000081537.

21 I'm not going to mark it. I'll
22 just read it in to you, the portions that you
23 received when you were at Walmart.

24 A. Okay.

25 Q. Okay?

1 MR. ECKLUND: If counsel wants
2 to have it, you can have it.

3 MR. CARTER: That would be
4 great. Thank you.

5 MR. ECKLUND: Sure.

6 Q. (BY MR. ECKLUND) So it
7 mentions a few people. And again, we just
8 want to be careful.

9 James Burnett, and he sent it
10 to you. And at the time, it looks like he
11 was at a company called QualiTest. Because
12 the email that you had sent to him says,
13 "James, I have attached a cover letter along
14 with a list of items that could be a new
15 opportunity. Please review and get back with
16 us by the end of this week."

17 And you titled the document
18 that you attached to your email as "QualiTest
19 letter..."

20 Okay? Does that help refresh
21 your recollection that Mr. Burnett may have
22 worked for QualiTest?

23 MR. CARTER: He's just
24 referring to here.

25 THE WITNESS: Yes.

1 Q. (BY MR. ECKLUND) Do you recall
2 what that new opportunity may have been in
3 April of 2010?

4 A. I did not do the doc. I think
5 it was .doc.

6 Q. (BY MR. ECKLUND) Do you know
7 whether that letter still exists in your
8 systems?

9 A. I do not.

10 Q. Okay. Do you know who
11 Laura Minnihan is?

12 A. I do not.

13 Q. Charles Trey?

14 A. I do not.

15 Q. Mike Reiney?

16 A. I do not.

17 Q. Jeremy Tatum?

18 A. I do not.

19 Q. Okay. You can pass that
20 document.

21 Do you know who Rick Upp is?

22 A. Say that again?

23 Q. Do you know who Rick Upp is?

24 U-P-P?

25 A. I'm not familiar with that. I

1 don't recall that name.

2 Q. Okay. Who is Sherry Capehart?

3 A. I can't remember.

4 Q. All right.

5 Sharina Cassidy?

6 A. She was on, I believe,

7 replenishment at the time.

8 Q. Replenishment from Walmart?

9 A. Yes.

10 Q. She was a pharmacy buyer or

11 a --

12 A. Replenishment, I believe. Now,

13 she did move to a pharmacy buyer at some

14 point. I don't remember when.

15 Q. Okay.

16 Steve Cohen?

17 A. He was a Walmart account rep

18 for -- I can't remember the company.

19 Q. Actavis?

20 A. Yes.

21 Q. Do you know Nancy Baran,

22 B-A-R-A-N?

23 A. I do not.

24 Q. Dianna Herbig?

25 A. No.

1 Q. What's an EDI transmission?

2 A. I think it stands for
3 electronic data invoicing. It's like an
4 electronic invoicing process.

5 Q. Did you use EDI transmissions
6 to order prescription drugs on behalf of
7 Walmart?

8 A. EDI is used between the
9 manufacturer and Walmart as a way of
10 invoicing and payment reconciliation.

11 Q. When you received an EDI
12 transmission, was it sent to you by email?
13 Did you receive it in some joint shared
14 database? How would you know that the
15 transmission was going to be sent?

16 A. In my role as a buyer, I did
17 not receive EDI.

18 Q. You did not?

19 A. No.

20 Q. Do you know who would receive
21 EDI transmissions within Walmart?

22 A. It would have been -- I
23 honestly don't know.

24 Q. Okay. Who is Jasen Jerrell?
25 J-A-S-E-N, last name is Jerrell,

1 J-E-R-R-E-L-L.

2 A. It seems like I remember him
3 being on replenishment on the Walmart side.

4 Q. My understanding is he was
5 replenishment manager at least as of April of
6 2010. And at that time you were still in
7 pharmacy purchasing? Or senior buyer?

8 A. Yes.

9 Q. Do you recall working with
10 Jasen Jerrell?

11 A. Yes. A little bit.

12 Q. Is it possible that he might
13 have been one of the individuals who might
14 have received notification of an EDI
15 transmission from a manufacturer or supplier?

16 A. Possibly.

17 (Walmart Coleman Deposition
18 Exhibit 17 was marked for
19 identification.)

20 Q. (BY MR. ECKLUND) So,
21 Ms. Coleman, I've handed you an article. It
22 was downloaded from healthaffairs.org on
23 December 10th, 2018. It was initially
24 published on or about September or October of
25 2009, as evidenced by the footer on the

1 document which may have been covered by the
2 sticker that indicates the exhibit.

3 A. It's there.

4 Q. You'll see at the top it
5 references Dr. Agwunobi, who we talked about
6 earlier today.

7 A. Correct.

8 Q. Within the document it
9 describes what the two authors, Mr. -- or
10 Dr. Agwunobi and -- I'm not sure whether it's
11 Dr. or Mr. Paul London, perceived to be
12 "opportunities to remove costs from the
13 healthcare supply chain, and how to apply
14 lessons from mass retail."

15 You're free to read the entire
16 article, if you want. It's not necessary.

17 I wanted to just talk to you a
18 little bit about what was described within
19 the article.

20 Importantly, in the bottom of
21 the first page they talk about
22 commoditization of products. The elimination
23 of middlemen, purchasing in bulk,
24 volume-based cost discounts, embracing price
25 competition whenever possible. Mass

1 retailers price standardized everyday
2 products and services as commodities.

3 It says, "For a mass retailer
4 any item that can be commoditized, that is
5 made into something that is not distinguished
6 by brand is a product that can be purchased
7 in bulk and offered at a reduced price?"

8 Do you see that?

9 A. Yes.

10 Q. Okay. If you'd turn to the
11 next page.

12 "Streamlining the healthcare
13 supply chain. It describes the health system
14 is beginning to benefit from the application
15 of cost control models from mass retail."

16 And it goes on. At the bottom
17 you could see, "For example, low cost
18 generics today are offered in some cases for
19 as little as \$4 for a 30-day supply, at
20 commonly prescribed doses." And it's Endo
21 reference 15, and they're talking about
22 Walmart's \$4 drug program.

23 If you were to turn to the last
24 page, you'd see that.

25 Towards the top quarter of the

1 page. Article by Robertson. Walmart. \$4
2 drug program saves \$26.8 million in
3 California, Sacramento Business Times 2008
4 March 14th.

5 Do you see that?

6 A. Yes.

7 Q. So they're describing Walmart's
8 program.

9 And it continues, "By forgoing
10 high profit margins in exchange for volume
11 growth, mass retailers have created a
12 competitive cascade that has begun to affect
13 overall healthcare costs."

14 Do you see that?

15 A. Where are you?

16 Q. If you were to look at the
17 bottom of the page, it bears the number 1338
18 in the bottom left-hand corner.

19 MR. CARTER: He's reading after
20 footnote 16.

21 THE WITNESS: Okay.

22 MR. ECKLUND: Yep, exactly.

23 Q. (BY MR. ECKLUND) Do you see
24 that?

25 A. Yes.

1 Q. Okay. So this article was
2 published in 2009. We talked very briefly
3 this morning about Medicare Part D benefits,
4 and we also talked a little bit about the \$4
5 30-day generic prescription plan announced by
6 Walmart in 2006. Do you recall when that
7 program began in 2006?

8 A. I don't.

9 Q. September 2006 sound about
10 right?

11 A. Possibly.

12 Q. Okay. Looking at some of the
13 contracts and the purchase prices and some of
14 the publicly available information, along
15 with this article and other materials, it
16 suggests to me that Walmart's generic
17 program, the \$4 and \$9 programs, were
18 low-margin enterprises for Walmart.

19 Do you understand what a
20 low-margin enterprise is?

21 A. Yes.

22 Q. Do you agree with that
23 characterization, that they were low-margin
24 enterprise?

25 A. Specifically to each product on

1 that \$4 program, I couldn't speak --

2 Q. How about an overall --

3 A. -- generally. I really -- I
4 don't know.

5 Q. You don't know? Okay.

6 As a buyer, did the margins for
7 those products factor into your purchasing
8 decisions?

9 A. In some cases.

10 Q. How so?

11 A. If -- I mean, when we could buy
12 a better-cost product, then we would -- as a
13 buyer, that would be one of my decisions as
14 we've discussed, to try to get the best cost
15 we can.

16 Q. Do you remember any products
17 where the margins factored into your
18 purchasing decision for the \$4 generic
19 program?

20 A. No.

21 Q. About a year later, in 2007,
22 Walmart expanded the list of available
23 generic drugs. Do you remember that?

24 A. Specifically, I don't.

25 Q. Okay.

1 A. But I know there were changes
2 made.

3 Q. At or around the exact same
4 time, Walmart also added a new 90-day
5 prescription plan for a price of \$9 per
6 prescription. Do you remember the \$9
7 prescription plan?

8 A. I remember that.

9 Q. And one of the implied messages
10 for that one was "a dime a day for your
11 prescription."

12 Do you remember those
13 campaigns?

14 A. I don't remember that campaign
15 specifically.

16 Q. You don't? Okay.

17 Are you aware that between 2006
18 and 2007, Walmart was in fact underpricing
19 the co-payments charged by some traditional
20 retail and chain pharmacies for generic
21 drugs?

22 A. No, I'm not aware of that.

23 Q. Did you, as a buyer, see
24 increased demand or an increased need for
25 more volume for generic drugs upon the

1 introduction of these two pricing programs,
2 the \$4 program and the \$9 program? Did you
3 need to buy more generic pills to meet the
4 needs of the dispensing pharmacies?

5 A. In some cases, yes.

6 Q. Any of those come to mind?

7 A. Not specifically.

8 Q. Did the pharmacy buying group
9 also grow when they introduced these
10 programs?

11 A. I can't recall if they
12 increased in number because there was
13 transition of people in and out.

14 Q. Okay.

15 A. I know I was moved over to
16 generics to help with that program.

17 Q. So when that program was
18 introduced, that's one of the reasons why you
19 started to focus more on generic purchasing?

20 A. Yes.

21 Q. Okay.

22 Do you know whether Walmart's
23 relative share of the prescription drug
24 market increased between 2006 and 2008?

25 A. I don't.

1 Q. Do you know whether it
2 increased between 2005 and 2007?

3 A. I don't.

4 Q. Do you know whether Walmart
5 still offers the \$4 generic program?

6 A. Yes.

7 Q. Do you know whether they still
8 offer the \$9 generic program?

9 A. I do not -- I'm not certain.

10 Q. Okay. As a buyer, did you have
11 to consider fixed costs for Walmart?

12 A. What do you mean by "fixed
13 costs"?

14 Q. Sure. That's a fair question.
15 Pharmacy licensing,
16 pharmacists' salary, insurance, rented space,
17 everything that goes into being able to
18 provide a pharmacy service.

19 A. I, as a buyer, didn't really
20 have access to that information. I generally
21 would purchase based off of the needs of the
22 pharmacies.

23 Q. So fixed costs didn't factor
24 into your decision-making process as a
25 pharmacy buyer for Walmart?

1 A. That's correct.

2 Q. As a pharmacy buyer, did you
3 consider whether lower costs for prescription
4 drugs would encourage more customers to come
5 into Walmart?

6 A. I don't -- I don't really have
7 a -- one way or the other. I mean, the goal
8 was to offer affordable products so that
9 customers had access to prescriptions that
10 they could afford.

11 Q. Fair to say nobody instructed
12 you that you should try to secure more volume
13 of lower-cost prescription drugs to increase
14 foot traffic in the Walmart stores?

15 A. No. That was never something
16 that I encountered.

17 Q. Okay. And you didn't consider
18 the possibility that increased foot traffic
19 may have a positive impact on other non-drug
20 sales profit? So, for example, the patient
21 comes in. They have a prescription in hand.
22 They're going to go get their \$4 generic
23 prescription filled. They're also going to
24 walk past to the grocery section, clothing
25 items, household products, whatever else it

1 may be. Because they're making the trip into
2 Walmart. They're in the store already, that
3 they might purchase not only their generic
4 drug, but also something else.

5 That's not something that
6 factored into your purchasing more volumes?

7 A. My role as a buyer was to
8 secure product to support the stores.

9 Q. Okay.

10 In the article they describe --
11 the one I handed you from Dr. Agwunobi, he
12 described generic drugs as being almost
13 equivalent to a commodity.

14 Did you view, or do you view
15 generic drugs as a type of commodity?

16 MR. CARTER: Object to the
17 form.

18 THE WITNESS: Personally, I
19 don't.

20 Q. (BY MR. ECKLUND) Okay. What
21 would make a generic drug unique among other
22 generic drugs?

23 A. I mean, personally, I mean,
24 maybe the different diseases that they treat.

25 Q. Okay. So if there were two

1 drugs that were intended to treat the same
2 condition -- they're both generic versions of
3 the same drug -- would you view those as
4 essentially interchangeable or would you view
5 them as in some way unique?

6 A. I don't know that I'm
7 following.

8 Q. Okay.

9 A. I mean, there are substitution
10 rules in what products can be dispensed for
11 what conditions. And I'm not certain what
12 specifically you mean by "substitution."

13 Q. Let's use ibuprofen as an
14 example.

15 A. Okay.

16 Q. So you've got brand-name
17 ibuprofen. You're familiar with that; right?

18 A. Motrin?

19 Q. Motrin? Okay.

20 Advil?

21 A. Mm-hmm.

22 Q. Other pain relievers are out
23 there. You've also probably seen a store
24 brand of ibuprofen.

25 A. Yes.

1 Q. Okay. I want you to imagine
2 that they have similar coatings, okay? One
3 doesn't have a gel cap and the other one
4 doesn't have some kind of buffering. They're
5 equivalent coatings, same dosage size,
6 50 milligrams. Do you as a pharmacist view
7 the generic and Motrin different --
8 differently?

9 A. As a pharmacist?

10 Q. Yeah.

11 A. It's a generic version of a
12 brand.

13 Q. Do you view them as different?
14 Are they interchangeable?

15 A. Yes.

16 Q. You do?

17 A. As a pharmacist I do.

18 Q. Okay. Why?

19 A. Because they're AB-rated to one
20 another. They're substitutable for one
21 another by law, Motrin to ibuprofen.

22 Q. Okay.

23 MR. ECKLUND: Okay. Let's take
24 a break.

25 THE VIDEOGRAPHER: We are going

1 off the record at 2:32 p.m.

2 (Recess taken, 2:32 p.m. to
3 2:47 p.m.)

4 THE VIDEOGRAPHER: We are back
5 on the record at 2:47 p.m.

6 MR. ECKLUND: Welcome back,
7 Ms. Coleman.

8 Q. (BY MR. ECKLUND) Welcome back,
9 Ms. Coleman. In your role as a pharmacy
10 buyer for Walmart, did you look at pharmacy
11 order history as a part of your purchasing
12 decisions?

13 A. Order history from the stores?

14 Q. From the stores.

15 A. Generally we only saw what they
16 were dispensing, so we would use that to
17 build inventory to support them.

18 Q. Did you notice a trend over
19 time where a particular pharmacy within
20 Walmart were selling more and more of a
21 specific product?

22 A. When -- as a buyer, I didn't
23 look at it at store level. I would just look
24 overall.

25 Q. When you say "overall," do you

1 mean overall for the entire country or did
2 you mean overall within a region? A state?

3 A. Overall, in the U.S.

4 So I would order to put the
5 product in the five DCs that we had to
6 support the business across the U.S.

7 Q. Okay. So you weren't concerned
8 with or considering, in connection with your
9 purchasing decisions, the number of pills
10 being dispensed within the state of Ohio, for
11 example, versus the nation as a whole?

12 A. Correct. We looked at what was
13 being dispensed and ordered into the pharmacy
14 DCs to support what the pharmacies needed.

15 Q. Do you think if you had looked
16 at the data at a pharmacy or state level, you
17 might have been able to see trends that were
18 troubling about additional or heightened
19 purchases of controlled substances?

20 MR. CARTER: Object to the
21 form. You switched from -- maybe that
22 was intentional.

23 MR. ECKLUND: It was
24 intentional, yeah.

25 MR. CARTER: Okay.

1 Q. (BY MR. ECKLUND) So the
2 original question was, "You weren't concerned
3 with or considering, in connection with your
4 purchasing decisions, the number of pills
5 being dispensed within the state of Ohio, for
6 example, versus the nation as a whole?"

7 You said, "Correct. We looked
8 at what was being dispensed and ordered into
9 the pharmacies DCs to support what the
10 pharmacies needed."

11 Switching from prescription
12 drugs to controlled substances, do you think,
13 if you had looked at the data at a pharmacy
14 or at a state level, you might have been able
15 to see trends that were troubling about
16 additional purchases of controlled
17 substances --

18 MR. CARTER: Form.

19 Q. (BY MR. ECKLUND) -- within the
20 state of Ohio?

21 A. As a buyer, in that -- the time
22 that I was a buyer, we did not look down to
23 store level and what they dispensed.

24 Q. And I appreciate what you did
25 at the time. I'm asking if you had looked at

1 it in a different way, might you have seen
2 more information that could have influenced
3 your purchasing decisions or Walmart
4 purchasing decisions?

5 A. Sitting here today, I can't
6 speak to what difference that would have
7 made.

8 Q. Knowing then what you know now
9 about the opioid crisis, do you think you
10 could have done more to appreciate or
11 understand the number of pills being
12 dispensed within the state of Ohio or the
13 state of West Virginia or any other various
14 states, to see how many pills were going into
15 the markets?

16 MR. CARTER: Object to the
17 form.

18 Q. (BY MR. ECKLUND) Rather than
19 looking at it as just the United States?

20 MR. CARTER: Object to the
21 form.

22 THE WITNESS: You're going to
23 have to repeat what you're asking me,
24 because I'm -- I'm now confused.

25 Q. (BY MR. ECKLUND) Okay. So are

1 you familiar with the term "Hindsight is
2 20/20"?

3 A. I'm familiar with that.

4 Q. Okay. What I'm asking you is,
5 with the benefit of knowing where we are
6 today as a country, in the midst of an opioid
7 crisis, using your term from earlier today,
8 understanding and appreciating that many
9 communities have been absolutely decimated by
10 the opioid crisis, if you had looked at more
11 granular data, looked at the data more
12 closely, looked at it at a neighborhood by
13 neighborhood, county by county, city by city,
14 state by state, instead of just the entire
15 United States, do you think you could have
16 seen something in the trends that could have
17 prevented Walmart from dispensing as many
18 prescription opioids?

19 MR. CARTER: Object to the
20 form.

21 THE WITNESS: Sitting here
22 today, I -- in a buyer role, that was
23 just not what the buyer role was
24 looking at or focused on. It was
25 looking at, in general, dispensing

1 across all products, not just
2 controls, and making sure that we had
3 adequate on hand to support the
4 stores.

5 Q. (BY MR. ECKLUND) I understand
6 it wasn't part of your role at the time.
7 What I'm asking is, if had you done your job
8 slightly differently, within Walmart, you had
9 approached it in a different way, when you
10 looked at more information at a more
11 localized level, do you think that the
12 outcomes for Walmart's prescription buying
13 could have been different? That you might
14 have purchased fewer pills?

15 MR. CARTER: Object to the
16 form.

17 THE WITNESS: Just seems like
18 speculation that I can't really speak
19 to.

20 MR. ECKLUND: Okay.

21 Q. (BY MR. ECKLUND) So you don't
22 know one way or the other?

23 A. I really don't.

24 Q. Okay. And if, as a pharmacy
25 buyer, you had seen increases in dispensing

1 in a small county in West Virginia that were
2 two or three orders of magnitude higher than
3 they had been the prior year, is that
4 something that would have caused you concern?
5 Been a red flag?

6 A. As a buyer, I didn't look down
7 to store level purchases.

8 My role was to provide products
9 in the distribution centers to support the
10 stores.

11 Q. Okay.

12 Did you see an increase in
13 dispensing nationally for prescription
14 opioids?

15 A. I didn't. One way or the
16 other, I didn't.

17 Q. So you didn't see it or you are
18 unaware that it happened?

19 A. I didn't watch to that level,
20 down to a product level.

21 Q. Okay.

22 Did you look at national data
23 on a product-by-product basis for any other
24 class of drugs, aside from prescription
25 opioids?

1 A. Repeat your question again.

2 You're referring to a prior question, so I
3 don't know that I'm following.

4 Q. Okay. So you said that you
5 didn't watch to that level, down to a product
6 level.

7 And I said, "Okay. Did you
8 look at national data on a product-by-product
9 basis for any other class of drugs, aside
10 from prescription opioids?"

11 So what I'm wondering is,
12 putting aside just prescription opioids, were
13 there any drugs that Walmart purchased, any
14 at all, that you were tracking, looking at
15 national data?

16 A. I would look at our information
17 on the categories that I bought to make
18 decisions of how much product to bring into
19 the distribution centers.

20 Q. Okay. Earlier today we went
21 over a document where Mallinckrodt was
22 providing -- or Endo -- I can't recall, so
23 don't hold me to this.

24 Where there were two prices for
25 the same drug at the same dosage, same

1 strength, sold in 100-unit bottles, sold in
2 500-unit bottles. Do you recall that?

3 A. Yes.

4 MR. WATTS: Object to the form.

5 Q. (BY MR. ECKLUND) And it was a
6 discount on the 500 bottles relative to the
7 100-count bottles. Do you recall that?

8 A. Yes.

9 Q. Okay. If a pharmacy was
10 purchasing, let's say 1,000 units; right?
11 They needed 1,000 pills. But they ordered
12 ten 100s. Would you, in the pharmacy buying
13 department, switch it to two 500-unit bottles
14 to save money?

15 A. I didn't have any control over
16 that. The store ordered what they ordered,
17 and the distribution centers shipped what
18 they ordered.

19 Q. So if they were spending money
20 poorly, if they were wasting money, if there
21 was an opportunity to save money, there was
22 no autocorrect, no way to fix that if they
23 were ordering ten pills at 100, swapping it
24 out, switching it to two at 500?

25 A. When I was a buyer, there was

1 not.

2 Q. Did you ever access order
3 history when -- in your role as a pharmacy
4 buyer for Walmart?

5 A. Order history specific to?

6 Q. Pharmacies.

7 A. I primarily used dispensing
8 history.

9 Q. Okay.

10 A. Not order history.

11 Q. Do you know how far back in
12 time Walmart's order history systems track
13 purchases?

14 A. I don't.

15 Q. Do you know whether it's a few
16 years? A decade?

17 A. I don't.

18 Q. Do you know whether they track
19 or maintain order histories?

20 A. I know that we had several
21 years that we would look at, but I don't know
22 how far back it went.

23 Q. Okay. Earlier today we were
24 talking about the crisis, and I believe you
25 used the term "legitimate medical need."

1 That Walmart would provide products for
2 legitimate medical needs.

3 Do you remember that testimony?

4 A. Not specifically, but I
5 remember parts of it.

6 Q. Do you want -- would you like
7 the court reporter to read it back to you, or
8 do you --

9 A. I guess probably.

10 Q. Okay.

11 (Whereupon, the following
12 testimony was read by the court
13 reporter.)

14 "QUESTION: As a buyer, I just
15 was disconnected from what patient --
16 you know. So my role was -- they were
17 filling legitimate prescriptions for
18 patients. And I was supplying them
19 with product so that they could fill
20 those prescriptions. And that was
21 really my role as a buyer."

22 (End of readback.)

23 Q. (BY MR. ECKLUND) Do you
24 remember that testimony now?

25 How, in your role as pharmacy

1 buyer, would you know that you were filling
2 legitimate prescriptions, based on the
3 information you were looking at?

4 A. My role as a buyer was to
5 ensure that I had on hand for stores to buy
6 product and have it for their patients.

7 The pharmacist's role is to
8 determine whether it's legitimate, whether
9 the patient -- is it a legitimate
10 prescription, is it -- you know, has the
11 patient taken it before? What medical
12 history? Those types of things. That's the
13 pharmacist's role.

14 Q. So in your role as a pharmacy
15 buyer, legitimacy of a prescription was not
16 something you considered? It was something
17 that was someone else's responsibility to
18 look at, the pharmacist at the dispensing
19 pharmacy within Walmart?

20 A. In my role as a buyer, I could
21 not oversee that. It's important, but I --
22 this was not -- their processes and policies,
23 as I stated earlier, to support the stores in
24 what they can do as a pharmacist,
25 requirements for security of controlled

1 substances and all of those laws that they
2 follow, their role is to do that and make
3 every effort to make sure that they're
4 dispensing products for legitimate medical
5 reasons, as a pharmacist.

6 As a buyer, I supported the
7 pharmacist in the field with products.

8 Q. Okay. When you were a
9 pharmacist, prior to your time as a pharmacy
10 buyer, when you were working as a pharmacist
11 out of Walmart, how would you have determined
12 whether there was a legitimate need for a
13 prescription to be filled by a consumer?

14 A. If they brought in a
15 prescription, I would ensure that it looks to
16 be valid. It's written correctly. It's -- I
17 would look at their history. I would -- if
18 there was a question, I would contact the
19 physician.

20 If they were transferring from
21 another pharmacy, I would contact that
22 pharmacy if I felt that I needed to.

23 And then I would make a
24 pharmacy judgment to dispense the
25 prescription.

1 Q. Okay. I'll have to go through
2 each one of those.

3 So at the time you were
4 pharmacist, you were able to look at a
5 patient's history within the systems you had
6 in place at that time?

7 A. Yes.

8 Q. And do you know whether you
9 could still look at a patient's history
10 today?

11 A. At that pharmacy, yes.

12 Q. Okay.

13 And then you talked about that
14 the prescription was filled out correctly.
15 By "filled out correctly," do you mean it was
16 dose, date, signed by a doctor from a
17 prescription pad from a licensed medical
18 provider?

19 A. Correct.

20 Q. Anything else?

21 A. How many -- how many have you
22 listed?

23 Q. Refills might be an option?

24 A. Yeah. Anything that's required
25 to be on that prescription to fill it.

1 Q. So it was complete?

2 A. Yes.

3 Q. And would the most important
4 single thing be that it's from a prescription
5 pad from a licensed medical provider and
6 signed by the provider?

7 A. That would be important as well
8 as it's written for a product that's the
9 right strength or is in a strength that it's
10 written for and a quantity and a dosage that
11 is appropriate.

12 Q. How would you, in your judgment
13 as a pharmacist, determine whether strength
14 of a prescription was appropriate?

15 A. I mean, if he wrote it and it's
16 not available in that strength.

17 Q. So if it simply doesn't exist?

18 A. If it simply doesn't exist.

19 Q. So if the prescription said Oxy
20 1000s, those don't exist; hence that's not
21 going to be filled. You would have picked up
22 the phone call to the pharmacy or some
23 manager or maybe the physician?

24 A. The physician.

25 Q. The physician?

1 A. Yes.

2 Q. And you would have told him:

3 "Look, I have a prescription for a
4 nonexistent drug. Can we get clarification
5 from the provider what they intended to
6 prescribe?"

7 A. Correct.

8 Q. What do you mean by
9 "appropriate for use"?

10 A. I suppose an example of that
11 would be, you know, an oral contraceptive,
12 and it's a male.

13 Different -- I mean, is it --

14 Q. Okay. You're not thinking of
15 contraindications between two drugs. You're
16 not thinking of allergies?

17 A. We would look at all of those
18 things, yes.

19 Q. Okay. So contraindications,
20 allergies --

21 MR. CARTER: Hold on one
22 second.

23 Folks that are on the phone,
24 and not on hold for us, we're going to
25 hang up and just redial back in. So

1 if you guys can -- if you guys can do
2 the same thing, then we'll get rid of
3 this hold music.

4 THE VIDEOGRAPHER: Going off
5 the record at 3:02 p.m.

6 (Recess taken, 3:02 p.m. to
7 3:04 p.m.)

8 THE VIDEOGRAPHER: We are back
9 on the record at 3:04 p.m.

10 MR. ECKLUND: So, Ms. Coleman,
11 we went off the record briefly to
12 address some hold music.

13 We'll probably hear another
14 "beep beep" as that person rejoins us
15 when they realize they got hung up on.

16 Q. (BY MR. ECKLUND) So we were
17 talking about appropriate dispensing of
18 pharmaceutical drugs in your role as a
19 pharmacist many years ago within Walmart.
20 And you mentioned one example might be a
21 gentleman walks in off the street with a
22 prescription for birth control pills. And
23 you would say, "Well, that's inappropriate.
24 That doesn't make any sense to me. We're not
25 going to dispense that."

1 We were talking about other
2 potential occasions where you would have used
3 your judgment as a pharmacist to question or
4 call a doctor or prescriber about a
5 particular prescription.

6 The example is -- I believe I
7 was talking about contraindications. Are you
8 familiar with contraindications?

9 A. Yes.

10 Q. What's a contraindications?

11 A. If they had a health condition
12 that could have been impacted by a therapy,
13 or other drugs that they were taking.

14 Q. Okay. Would allergic reactions
15 be something else that might have been shown?

16 A. Yes.

17 Q. Okay. Any other occasions
18 where you might have exercised your judgment
19 as a pharmacist to question whether or not a
20 prescription was appropriate for a patient
21 with a prescription?

22 A. Sitting here now, that's all
23 that I can think of. It's been a while.

24 Q. Okay. Do you know whether
25 Walmart today follows basically these same

1 steps that you followed way back when? That
2 they would look at the history of a patient,
3 that they would look at what's being filled
4 out, whether it's available, whether it makes
5 sense, the number of pills, the number of
6 refills, the size of the pills?

7 A. I've been away from operations,
8 so I really can't speak to the steps and
9 processes that the stores have and used to.

10 Q. Do you think it would be
11 important for pharmacists today to exercise
12 the same type of judgment to consider whether
13 or not it's appropriate for a patient to
14 receive a medication based on
15 contraindications or, as you pointed out,
16 what might be an inappropriate use, a man
17 receiving a drug for birth control?

18 MR. CARTER: Form.

19 THE WITNESS: Yes.

20 Q. (BY MR. ECKLUND) We talked
21 about volume pricing and discounts.
22 Corollary to the volume being ordered is also
23 how the pills get dispensed. Do you know
24 whether, from the pharmacy side, within
25 Walmart, halving of a quantity versus

1 doubling of a quantity that it's a lockstep
2 linear relationship on price?

3 For example, if you buy 25
4 pills from the pharmacy at Walmart, that's
5 going to be exactly one-half the price of 50
6 of the exact same pill from Walmart?

7 A. I really can't say one way or
8 the other.

9 Q. Okay. Do you know if there are
10 any other cost-per-unit variations that are
11 considered within Walmart?

12 A. Not that I can speak to.

13 Q. Cost per unit was not something
14 that you were concerned with in connection
15 with supplying dispensing pharmacies?

16 A. As I've stated earlier in my
17 testimony, that cost is one of the
18 determinations of products. It's important,
19 but I ordered -- I bought what the pharmacies
20 needed to dispense.

21 Q. I probably asked this
22 inartfully.

23 Once you purchased the volume
24 that you're going to buy, one X, a million X,
25 it doesn't matter what it is, okay? Once

1 you've purchased that volume and you've
2 provided to the nation of Walmart dispensing
3 pharmacies, whether it's \$2.50 for 25 and \$5
4 for 50, or if it's \$5 for 25 and \$4 for 50,
5 it's not something you were concerned with,
6 one way or the other?

7 A. I didn't -- the stores ordered
8 what they ordered.

9 Q. Okay. Do you recall ever
10 receiving any policy changes in your role as
11 a pharmacy buyer for Walmart?

12 A. Policy changes?

13 Q. Did they ever provide you any
14 policies, guidelines, how you should do your
15 job?

16 A. I can't recall specifically.

17 Q. Okay. At those annual meetings
18 you would have, there were no discussions
19 about changes in policy?

20 A. I can't recall.

21 Q. Okay. In connection with
22 controlled substances, did you, as a pharmacy
23 buyer, ever request information concerning
24 the suspicious order monitoring program from
25 a wholesaler or a manufacturer concerning

1 drugs that were being purchased by Walmart?

2 Controlled substances?

3 A. Can you repeat that one more
4 time?

5 Q. Sure. In your role as a
6 pharmacy buyer for Walmart, did you ever
7 request information concerning a suspicious
8 order monitoring program from a wholesaler?

9 A. The only time I really dealt
10 with suspicious order monitoring was with
11 McKesson.

12 Q. So that's a wholesaler and
13 that's suspicious order monitoring. So you
14 dealt with McKesson in connection with their
15 suspicious order monitoring?

16 A. Into the detail that if a store
17 had a question about anything, I was the
18 intermediary between the store and McKesson
19 in my role, too, as a buyer.

20 So if they had a question
21 regarding anything, I was aware of the
22 monitoring that McKesson had. But that's to
23 the depth of my knowledge on that.

24 Q. Do you recall when that
25 occurred? When the questions may have been

1 raised by a pharmacy and you as the
2 intermediary?

3 A. I don't recall.

4 Q. Do you recall any of the
5 circumstances surrounding that discussion
6 where you served as an intermediary between
7 one of the pharmacies?

8 A. I don't recall the details. I
9 don't.

10 Q. Beyond McKesson, do you recall
11 any other wholesalers' suspicious order
12 monitoring programs? Any occasion where you
13 had to become aware about their suspicious
14 order monitoring program?

15 A. I don't recall that, no.

16 Q. Any occasion where you
17 requested information about any other
18 wholesalers' suspicious order monitoring
19 programs?

20 A. I don't recall that either.

21 Q. Were suspicious order
22 monitoring programs important to you as a
23 pharmacy buyer for Walmart?

24 A. I really was not connected with
25 suspicious order monitoring as a buyer.

1 Q. Same question for
2 manufacturers. Were there any occasions
3 where you needed to become aware or verify
4 that a manufacturer had a suspicious order
5 monitoring program in place?

6 A. Not to my knowledge.

7 Q. And it's fair to say that
8 suspicious order monitoring programs at the
9 manufacturing level were not something that
10 were important to you in your role as a buyer
11 for Walmart?

12 MR. CARTER: Form.

13 THE WITNESS: I didn't have any
14 relationship that included suspicious
15 order monitoring and my relationship
16 with a supplier.

17 Q. (BY MR. ECKLUND) Let me try it
18 a different way.

19 You didn't consider
20 manufacturers' suspicious order monitoring
21 programs?

22 A. I didn't know if they had them
23 or not.

24 Q. Okay. So if you don't know if
25 they had them, you certainly didn't consider

1 them?

2 A. I didn't know if they had them,
3 so ...

4 Q. Okay. Did you ever discuss
5 Walmart's suspicious order monitoring program
6 with anyone within Walmart?

7 A. Not that I recall.

8 Q. Did you ever provide any
9 wholesaler information about Walmart's
10 suspicious order monitoring program?

11 A. Not my knowledge.

12 Q. Have you ever seen or read
13 Walmart's suspicious order monitoring
14 program?

15 A. I do not have any detail around
16 our -- the program.

17 Q. Did you ever provide any
18 manufacturers any information about Walmart's
19 suspicious order monitoring program?

20 A. No.

21 Q. Okay. Do you recall any
22 occasions where any of your orders were
23 rejected by suppliers due to suspicious order
24 monitoring concerns?

25 A. None to my knowledge.

1 Q. Are you aware of any occasions
2 where your orders were rejected by a
3 wholesaler due to suspicious order monitoring
4 concerns?

5 A. The only time I'm aware of that
6 is a store specific to a McKesson order.

7 Q. Let's talk about that order.
8 What do you remember about that
9 order?

10 A. It was a correspondence where a
11 store was trying to get a product and asking
12 why -- why they didn't get it from McKesson.

13 Q. What product?

14 A. In that situation --
15 I don't remember.

16 In that situation, I'm kind of
17 the conduit between the store and resolving
18 any issues, so in that situation I would have
19 contacted McKesson.

20 I recall that a couple of
21 times. I don't recall the details of the
22 product.

23 Q. Do you recall which
24 manufacturer?

25 A. I do not.

1 Q. Do you recall whether it was a
2 C-II or C-III?

3 A. I do not.

4 Q. Do you recall the year?

5 A. I do not.

6 Q. Do you recall whether it was
7 towards the beginning or towards the end of
8 your role as a pharmacy buyer for Walmart?

9 A. I don't -- I don't recall.

10 Q. That's okay.

11 So I've put up on the screen a
12 PDF from the Department of Justice DEA,
13 Diversion Control Division. And this is from
14 the resources section on their website, from
15 the publications and manuals portion, in a
16 subfolder manual, in a subfolder pharmacist's
17 manual, Sections I through VIII.

18 Do you see that, Ms. Coleman?

19 A. Yes.

20 Q. And if you need it to be zoomed
21 in upon, I believe our tech-savvy
22 videographer will be able to help you out
23 with that.

24 The "Section I, Introduction,"
25 it describes pharmacist's manual. "Intended

1 to summarize and explain the basic
2 requirements with prescribing, administering,
3 and dispensing controlled substances under
4 the Controlled Substances Act and DEA
5 regulations."

6 Do you recall ever reading this
7 pharmacist manual in your role as a pharmacy
8 buyer for Walmart?

9 A. I don't recall reading that.

10 What is the date on that?

11 Q. This was available from the
12 DEA's website on December 11, 2018.

13 I will not represent that I
14 know exactly when it was originally
15 published, but I'm sure if it's important for
16 your testimony, we can go off the record and
17 try to ascertain that date for you or at
18 least a rough approximation.

19 Do you think it's important for
20 you to know?

21 A. I just don't recall ever
22 reviewing this.

23 Q. Okay. Now, at the bottom it
24 references a 2010 edition of the pharmacist's
25 manual to assist you in understanding the

1 provisions of the Controlled Substances Act.

2 Do you see that? "Message from
3 the administrator?"

4 "The Drug Enforcement
5 Administration is pleased to provide you with
6 the 2010 edition of the pharmacist's manual
7 to assist you in understanding the provisions
8 of the Controlled Substances Act."

9 Do you see that?

10 A. Yes, I see it.

11 Q. And at that time, in 2010, you
12 were still a pharmacy buyer for Walmart?

13 A. I think -- during the -- yes.
14 Possibly.

15 Q. But sitting here today, not a
16 clear recollection of having read the
17 pharmacist's manual published by the DEA?

18 A. Correct.

19 MR. CARTER: Object to the
20 form.

21 MR. ECKLUND: Okay.

22 MR. CARTER: Sorry. I didn't
23 mean to speak over you.

24 Q. (BY MR. ECKLUND) Earlier today
25 we talked about morphine milligram

1 equivalents. I asked you whether that was
2 something that was important in your role as
3 a pharmacy buyer for Walmart.

4 Do you remember that portion of
5 your testimony?

6 A. Yes.

7 Q. Okay.

8 Are you familiar with
9 calculators -- with calculating the total
10 daily dose of opioids for safety dosage? Are
11 any of these --

12 A. I'm familiar with this. I'm
13 not -- had not planned to practice as a
14 pharmacist when I retire, so I haven't kept
15 up to date on morphine and the equivalents.
16 It's really not in the immunization space.

17 Q. Okay.

18 Do you see these measures?
19 These measures, whether it's hydrocodone,
20 oxycodone, methadone, whoever made these
21 calculations and the conversion factors,
22 which I'm showing you now, from the -- I
23 believe this is from the Center for Disease
24 Control, these are not calculations or
25 conversions that you endeavored to undertake

1 in your role as a pharmacy buyer for Walmart.

2 MR. CARTER: Form.

3 Q. (BY MR. ECKLUND) If you were
4 to receive a request from dispensing
5 pharmacies to obtain codeine or fentanyl or
6 hydrocodone or hydromorphone or methadone or
7 morphine or oxycodone or oxymorphone, which
8 are the drugs that are listed on this chart,
9 and if there was a need from the dispensing
10 pharmacies, and those drugs were available
11 for purchase from your suppliers, you would
12 obtain the pills and provide them to the
13 dispensing pharmacies. Is that fair?

14 A. The pharmacists would order
15 what they need.

16 Q. Right, okay. You weren't at
17 the same time also trying to determine the
18 total daily amount that the pharmacies were
19 asking for. You weren't trying to convert
20 what those requests from the pharmacies were
21 in MME equivalent, and you were certainly not
22 trying to add them all up together and tally
23 them up and look at them at a pharmacy level?

24 A. I was not able to do that at
25 that time.

1 MR. CARTER: And I'll belatedly
2 object to the form of that question.

3 Q. (BY MR. ECKLUND) You said you
4 weren't able to or it's not something you
5 did?

6 A. It's not something we did.

7 Q. Because you would be able to
8 take each one of the prescription drugs or
9 controlled substances that were being
10 requested and in an Excel chart figure out
11 the conversion into MMEs; right?

12 MR. CARTER: Form.

13 Q. (BY MR. ECKLUND) I mean,
14 that's mathematics.

15 MR. CARTER: Form.

16 THE WITNESS: It would be
17 possible.

18 MR. ECKLUND: Okay.

19 THE WITNESS: It was not
20 something we did as a buyer.

21 Q. (BY MR. ECKLUND) Okay. I just
22 wanted to clarify, because you said it was
23 not able to do that at that time, and I just
24 wanted to make sure that you could have done
25 it. It was just something that was not done

1 at that time as a pharmacy buyer.

2 MR. CARTER: Object to the
3 form.

4 Q. (BY MR. ECKLUND) Do you see at
5 the bottom of the page, "How should providers
6 use the total daily opioid dose in clinical
7 practice? Use caution when prescribing
8 opioids of any dosage and prescribe the
9 lowest effective dose. Use extra precautions
10 when increasing to greater than or equal to
11 50 morphine milligram equivalents per day."

12 And then asterisk. "These
13 dosage thresholds are based on overdose risk
14 when opioids are prescribed for pain and
15 should not be guide dosing of
16 medication-assisted treatment for opioid use
17 disorders."

18 "Three factors: Monitor and
19 assess pain function more frequently.
20 Discuss reducing dose or tapering and
21 discontinuing opioids if benefits do not
22 outweigh harms. Consider offering naloxone.
23 Avoid or carefully justify increasing dosage
24 to" less than or greater -- sorry, "greater
25 than or" less -- greater than or "equal to

1 90 milligrams equivalent a day."

2 I apologize. I have text
3 messages coming across from my wife hounding
4 me to catch my flight.

5 Do you see that?

6 A. I see that.

7 Q. Okay. Good.

8 Did you consider in your role
9 as a pharmacy buyer how you might be able to
10 lower the effective doses that were being
11 dispensed by the pharmacies within Walmart?

12 MR. CARTER: Form.

13 THE WITNESS: As a buyer at
14 that time, I did not.

15 Q. (BY MR. ECKLUND) Do you know
16 whether that's something that changed after
17 you left pharmacy buying?

18 A. I do not.

19 Q. Okay.

20 Do you know whether there were
21 extra precautions taken at the pharmacy level
22 when increasing beyond 50 morphine milligram
23 equivalents per day?

24 A. I'm not aware of any details
25 specific to that.

1 Q. Did you as a pharmacy buyer
2 take extra precautions when purchasing larger
3 dosages?

4 A. My role as a pharmacy buyer was
5 to supply buy-in product to support what the
6 stores needed.

7 Q. As a pharmacy buyer, was it
8 part of your job to try and reduce the
9 available dosage within a community, state,
10 an area, or to discontinue opioids in an
11 area?

12 MR. CARTER: Form.

13 THE WITNESS: That was not in
14 my role as a buyer at the time.

15 Q. (BY MR. ECKLUND) As a pharmacy
16 buyer, did you ever suggest to the pharmacies
17 that were obtaining these prescriptions for
18 the larger strength opioids to consider also
19 offering naloxone?

20 A. In my role at the time, we did
21 not do that.

22 MR. ECKLUND: So this is a
23 PowerPoint presentation produced in
24 native format. Walmart MDL 000011411.
25 This is a short slide deck.

1 It's four slides. It says, "Walmart
2 U.S. ethics and compliance. HW, know
3 your customer, controlled substance
4 requirement."

5 Q. (BY MR. ECKLUND) And I don't
6 know whether it was misspelled in the
7 original or something happened in production,
8 but let's assume it was a requirement. Okay?

9 A. Okay.

10 Q. Okay. "HW," does that stand
11 for health and wellness?

12 A. I suppose.

13 Q. Okay. What does it mean to
14 know your customer in the health and wellness
15 context for controlled substances?

16 A. I'm not familiar with that.

17 Q. Okay. At the top of this page
18 it says, "Walmart is unique." And continues,
19 "Walmart is unique in that we are not only a
20 dispenser of controlled substances. We are a
21 shipper as well."

22 Do you see that?

23 A. I do.

24 Q. And that's consistent with your
25 testimony throughout the day that Walmart

1 would purchase and then also dispense to its
2 own or provide to its own dispensing
3 pharmacies?

4 A. Correct.

5 Q. And you would also provide mail
6 order shipping of prescription opioids?

7 MR. CARTER: Form.

8 Q. (BY MR. ECKLUND) "We are a
9 shipper as well." Do you see that?

10 A. I do.

11 Q. Is there anything else that
12 they could be talking about as far as
13 shipping?

14 MR. CARTER: Form.

15 THE WITNESS: Not that I'm
16 aware of.

17 Q. (BY MR. ECKLUND) Is there
18 anything you could consult that would help
19 clear this up?

20 A. I really don't understand your
21 question.

22 Q. Well, I'm trying to understand
23 what "We are a shipper as well" means.

24 A. I've not seen this.

25 Q. Okay.

1 A. Just, I don't know what is
2 meant by "shipper as well."

3 Q. Okay.

4 If you'd go towards the next
5 portion. "DEA has increased scrutiny on
6 companies' suspicious order monitoring."

7 Do you see that?

8 A. I do.

9 Q. And then it continues,
10 "Healthcare distribution" -- and again, I
11 suspect it was a typo in the original. I'm
12 not sure. But "distribution management
13 associate." I think that's supposed to be
14 "healthcare distribution management
15 association," the HDMA, "has put out guidance
16 regarding meeting regulatory requirements."

17 Are you familiar with the HDMA?

18 A. I am not.

19 Q. Okay. So you're not a member
20 of the HDMA?

21 A. I am not.

22 Q. And you don't attend the HDMA
23 meetings?

24 A. I do not.

25 Q. At the bottom it says, "We

1 already have the facility record which shows
2 all of our incidents, refusal to fill
3 records, and details about the pharmacy."

4 Do you see that?

5 A. Yes.

6 Q. Do you know where one would
7 find the facility records which show the
8 incidents, the refusal to fill records, and
9 the details about the pharmacies?

10 A. I do not.

11 Q. So it's something that you
12 believe you could obtain if you asked for it
13 within Walmart?

14 A. I do not. I don't have
15 knowledge of anything around that.

16 Q. Okay. The next slide:
17 "Walmart is unique. Request to create a
18 questionnaire to house store prescription
19 filling history such as number of controlled
20 substances pills dispensed, comparison of
21 controlled substances to all pills dispensed,
22 breakdown of insurance types."

23 Do you see that?

24 A. Yes.

25 Q. And again, I don't know if this

1 is something where there's a presentation
2 that was acted on or not. So I don't want to
3 represent one way or the other. This is just
4 a PowerPoint that was provided to us. And
5 obviously we don't work for Walmart.

6 Do you believe it would be
7 useful in your role as a pharmacy buyer to
8 have a breakdown or a comparison of
9 controlled substance orders relative to all
10 pills dispensed?

11 A. As a pharmacy buyer, I really
12 didn't separate them. I supported the stores
13 for what they were dispensing.

14 Q. Okay. The same question, at
15 the store level, would it have been helpful
16 for you to know the number of controlled
17 substances dispensed by any one store?

18 A. I wouldn't -- you know, I
19 wouldn't, as a buyer, in the role I played, I
20 did not differentiate in that way, store
21 level or product differentiation.

22 Q. Okay.

23 Same question. Breakdown of
24 insurance types. Would that be something
25 that would be useful for you to have as a

1 pharmacy buyer?

2 A. At the time when I was a buyer,
3 I wouldn't -- I wouldn't know whether that
4 would be valuable or not.

5 Q. I've put up on the screen
6 "Press Release. McKesson and Walmart
7 announce sourcing agreement for generic
8 pharmaceuticals."

9 Issued May 16, 2016.

10 Are you familiar with this
11 agreement?

12 A. I'm not.

13 Q. Okay.

14 I should clarify this. This
15 isn't a document. It's a website.

16 Were you aware that the FDA
17 requested removal of Opana Extended Release
18 for risks related to abuse in June of 2017?

19 A. I am not.

20 Q. Okay.

21 MR. WATTS: Object to the form.

22 MR. ECKLUND: Let's go off the
23 record.

24 THE VIDEOGRAPHER: We are going
25 off the record at 3:31 p.m.)

1 (Recess taken, 3:32 p.m. to
2 3:42 p.m.)

3 THE VIDEOGRAPHER: We are back
4 on the record at 3:42 p.m.

5 Q. (BY MR. ECKLUND) So,
6 Ms. Coleman, earlier this morning we were
7 talking -- or earlier this afternoon, I
8 think, we were talking about the Medicare and
9 the OBRA 90 rebates and best prices for
10 Medicare. And I asked you whether you had
11 any involvement in communicating best prices
12 to the federal government concerning OBRA 90.

13 Do you recall that testimony?

14 A. I do.

15 Q. Similar line of questioning.
16 Do you recall anything providing any
17 information about the prices being paid by
18 Walmart to the Medicaid program?

19 A. I do not.

20 Q. Do you recall providing any
21 information about the prices being paid by
22 Walmart to any state group?

23 A. I do not.

24 Q. But you do recall from the
25 content we went through that that was a

1 responsibility of Walmart to make sure that
2 federal and state and third-party payers were
3 aware of prices being paid, rebates,
4 discounts and the like?

5 MR. CARTER: Form.

6 THE WITNESS: I did see that
7 language in the contract.

8 Q. (BY MR. ECKLUND) In your own
9 words, what is the role of a wholesaler?

10 MR. CARTER: Form.

11 THE WITNESS: Personally, my
12 definition would be they -- they are a
13 supplier that distributes products to
14 pharmacies, different dispensing
15 facilities.

16 That's a very broad term, but I
17 don't know the actual definition.

18 Q. (BY MR. ECKLUND) Middleman?
19 Intermediary?

20 A. I mean, I'm required to give,
21 in some cases, to get the product to the
22 store or to the dispensing facility.

23 Q. Do wholesalers have exclusive
24 rights to single-source medications?

25 A. Exclusive rights?

1 MR. WATTS: Object to the form.

2 THE WITNESS: I really don't
3 know.

4 Q. (BY MR. ECKLUND) Are you aware
5 of any occasion where wholesalers had
6 exclusive rights to a generic?

7 A. I wouldn't know that.

8 Q. Are you aware of occasions
9 where competing wholesalers would sell the
10 same products during the same period of time?

11 A. I really don't know.

12 Q. Beyond the rebates and
13 charge-backs that were identified in some of
14 the documents we worked through earlier
15 today, there are other opportunities for
16 rebates and discounts that could have been
17 incorporated into a contract. And I just
18 want to run through and see if any of these
19 spark a recollection or a memory.

20 Are you familiar with any
21 contracts entered into by you on behalf of
22 Walmart in your role as a pharmacy buyer that
23 provided for prompt payment discounts?

24 A. Yes. That could have been in
25 some contracts.

1 Q. Can you remember which
2 wholesalers or manufacturers you might have
3 included?

4 A. I don't.

5 Q. Cash discounts?

6 A. That could have been in some.

7 Q. Free goods that are contingent
8 on the purchase of a larger requirement? So
9 buy this large volume, get this for free?

10 A. I don't recall that
11 specifically.

12 Q. Rebates to providers, not to
13 the payer. So to providers. Are you
14 familiar with any?

15 A. I'm not familiar with that.

16 Q. Do you recall the arrangement
17 reached between Walmart and Caterpillar in or
18 around 2009, I believe it was?

19 A. In general that we had an
20 arrangement. I don't know any details around
21 that.

22 Q. And you don't have any
23 recollection of any contracts that would have
24 provided some benefit to Caterpillar based
25 upon Walmart's purchase of a drug?

1 A. I do not.

2 Q. So I've put up on the screen --

3 it's an article that I found online.

4 topbusiness.net, and it describes the "drug

5 crisis," using your word, within Arkansas.

6 The title of the article is "Arkansas

7 Prescription Drug Crisis Worsens.

8 President Trump addresses national opioid

9 epidemic." It's dated August 8, 2017.

10 I just want to ask you a couple

11 of questions.

12 Were you aware at the time that

13 this article was published there was a study

14 that showed that Arkansas prescription drug

15 problem was so serious that there were enough

16 pills in the street for each of Arkansas'

17 almost 3 million citizens to have a full

18 bottle?

19 A. I was not aware.

20 Q. Were you aware that the CDC had

21 released a report that shows all but nine of

22 Arkansas' 75 counties have had overall opioid

23 prescribing rates higher than the national

24 average?

25 A. I was not aware of that either.

1 Q. Were you aware that as a state,
2 Arkansas has an opioid prescription rate of
3 114.6 per 100, which is second only to
4 Alabama? In 2016?

5 A. I'm not aware of that either.

6 Q. Are you familiar with Greene
7 County?

8 A. I am not.

9 Q. Okay. Do you know where Greene
10 County is located in Arkansas?

11 A. I do not.

12 Q. Are you familiar with Garland
13 and Sebastian Counties in Arkansas?

14 A. I am not.

15 Q. Howard County?

16 A. No.

17 Q. Jackson County?

18 A. I'm not from Arkansas. I just
19 live here. I don't know the specific
20 counties, no, I don't.

21 Q. Okay. All right.

22 The article talks about a
23 number of counties within the state of
24 Arkansas which have per capita orders far in
25 excess of the national averages. 177.8 pills

1 dispensed per capita, 176, 169, 150, and then
2 some with far, far lower.

3 For example, Newton and
4 Cleveland Counties have rates of opioid
5 prescriptions with an average of 0.8 and 1.1
6 dispensed for every 100 citizens.

7 We talked earlier about how the
8 data you looked at was national data. And we
9 talked about how perhaps if you had looked at
10 more localized data at a county level, at a
11 state level, a city level, that there may
12 have been opportunities to change the ways in
13 which Walmart purchased pharmaceutical drugs,
14 particularly prescription opioids.

15 Seeing these numbers, do you
16 think that you could have done something
17 differently as a purchaser of prescription
18 opioids if you had county level data in mind
19 when you were purchasing for the dispensing
20 pharmacies within Walmart?

21 MR. CARTER: Object to the
22 form.

23 THE WITNESS: I just -- I
24 don't -- I don't know how I would use
25 that data. And only can speak to the

1 time when I was a buyer, and I
2 wouldn't have had the ability -- I
3 wouldn't have used that data in that
4 role.

5 MR. ECKLUND: Okay.

6 Q. (BY MR. ECKLUND) As a
7 pharmacist, if you were aware that in
8 Greene County, in northeast Arkansas, 177.8
9 pills were being dispensed per capita, yet at
10 the same time, Newton and Cleveland counties
11 had averages of 0.8 and 1.1, would that have
12 been something that you would have
13 considered?

14 MR. CARTER: Form.

15 Q. (BY MR. ECKLUND) Would it have
16 raised alarms in your own mind? As a
17 pharmacist, you're looking at these numbers.
18 You have 100 people in one county, you have
19 100 people in another county, and you have a
20 per capita rate in one county of under one,
21 and in the other county you have a per capita
22 rate of nearly 180 pills dispensed.

23 MR. CARTER: Object to the
24 form.

25 THE WITNESS: As a pharmacist,

1 I would use my professional judgment
2 and assess the patient, verify the
3 prescription with the physician. I
4 would do my role as a pharmacist
5 dispensing products.

6 That's what I can speak to.

7 Q. (BY MR. ECKLUND) The article
8 follows, "Arkansas Legislative Focus." And
9 the author wrote, "Some of that sobering data
10 was brought to the attention of Arkansas
11 policymakers nearly a month ago when Arkansas
12 health department director Nate Smith gave a
13 presentation to the Joint Interim Committee
14 on Public Health at the state capitol."

15 "According to Smith's report,
16 'Large amounts of opioids are being sold in
17 Arkansas, enough for every man, woman, and
18 child to take 80 pills each over the course
19 of a year. All together, 235.9 million pills
20 were sold across Arkansas in 2016,' Smith
21 said, citing the most up-to-date data from
22 the CDC."

23 In your role as a pharmacy
24 buyer, you wouldn't have considered the
25 number of pills sold across the state of

1 Arkansas because you were focused on national
2 sales and national dispensing needs; correct?

3 MR. CARTER: Form.

4 THE WITNESS: I can speak to
5 the time when I was a buyer, which was
6 many years ago.

7 Q. (BY MR. ECKLUND) I understand.

8 A. And I would support the
9 dispensing of what the pharmacist needed to
10 support the patients they served.

11 Q. Okay. But the state level data
12 that's being discussed here, talking about
13 how many pills were sold across a given
14 state, whether in 2016 or 2006, it's not
15 something that would have been considered in
16 your role as a pharmacy buyer for Walmart.
17 You were looking at national data, not
18 state-level data?

19 MR. CARTER: Form.

20 THE WITNESS: In my time as a
21 buyer, we did not look at it that way.

22 Q. (BY MR. ECKLUND) And do you
23 know whether today pharmacy buyers within
24 Walmart use state-level data?

25 A. I do not.

1 MR. CARTER: I was late on
2 that. Let me put a form objection on
3 that given the timeframe.

4 Q. (BY MR. ECKLUND) In the
5 article it talks about quarterly data. It
6 says, "New quarterly data released Tuesday by
7 the CDC's National Center For Health
8 Statistics shows that drug overdose deaths
9 reached an all-time high in the first three
10 quarters of 2016 of 57,900."

11 And we talked about those
12 numbers earlier. I think I remember I talked
13 about 1999, the quadrupling, and I talked
14 about these numbers this morning.

15 If you'd look at those numbers,
16 it also talks about the rise.

17 "Earlier this year, the CDC
18 reported that more than 52,000 people died
19 from a drug overdose in 2015."

20 So you can see, between 2015,
21 you have 52,000, 2016, there's 57,900 being
22 associated with drug overdoses, or --

23 Do you see that? The two
24 numbers, Ms. Coleman?

25 A. Yes.

1 Q. And it continues, "Of those,
2 33,091 involved a prescription or illicit
3 opioid. 63.1 percent. And since 2000, more
4 than 300,000 Americans have lost their lives
5 to an opioid overdose."

6 Do you know whether Walmart has
7 ever looked back at any of those statistics
8 to determine whether any of its prescribed or
9 dispensed opioids were associated with any of
10 these lost lives?

11 MR. CARTER: Object to the
12 form.

13 THE WITNESS: I do not.

14 Q. (BY MR. ECKLUND) Looking at
15 these numbers, do you think there's anything
16 that you could have done in your role as a
17 pharmacy buyer to have potentially prevented
18 some of these pills from being dispensed onto
19 the market?

20 A. I'll answer the same as I have
21 previously. As a role as a buyer, I provided
22 the products that the stores needed to
23 dispense.

24 Q. The article continues, "In
25 Arkansas 1,067 people died from a drug

1 overdose between 2013 to 2015, putting
2 Arkansas in the top 20 percent of states that
3 prescribed the most painkillers per capita.

4 "By definition, legal
5 prescriptions for opioid painkillers can be
6 written by doctors to treat moderate to
7 severe pain but can also have serious risks
8 and side effects. Common types are oxycodone
9 or Oxycontin, hydrocodone, Vicodin, morphine
10 and methadone."

11 A couple of questions.

12 In your role as a pharmacy
13 buyer for Walmart, you've purchased
14 oxycodone, hydrocodone, morphine and
15 methadone?

16 A. I'm not sure. I can't recall
17 what I purchased when I was a buyer --

18 Q. I showed you --

19 A. -- specifically.

20 Q. I showed you a number of
21 documents, including one that was signed by
22 you that mentioned certain controlled
23 substances?

24 A. Certain. I don't know if all
25 of those were on that document.

1 Q. Do you know whether Walmart
2 dispensed those other drugs? If perhaps you
3 didn't purchase them, but maybe Mr. Badeen or
4 Ms. Wilson or someone else within the
5 pharmacy buyer group purchased them?

6 MR. CARTER: Form.

7 THE WITNESS: Could have.

8 Q. (BY MR. ECKLUND) But you don't
9 know one way or another?

10 A. I don't know one way or the
11 other.

12 Q. Okay. Do you agree that
13 prescription opioids have serious risks and
14 side effects?

15 MR. WATTS: Object to the form.

16 THE WITNESS: To some patients,
17 they can.

18 Q. (BY MR. ECKLUND) There is the
19 difference between a risk and a manifestation
20 of a problem. Right?

21 I mean, cigarettes carry a risk
22 of lung cancer. Doesn't necessarily mean
23 that every person who smokes a cigarette will
24 develop lung cancer. Right?

25 I mean, drunk driving is risky

1 behavior. Drunk driving is dangerous. You
2 shouldn't drive drunk. Not every person that
3 drives drunk gets injured. Not every person
4 that drives drunk hurts somebody else. Not
5 everyone that drives drunk gets pulled over.
6 Right? It's risky behavior, but it's not
7 always dangerous.

8 Can we agree that opioid
9 painkillers, opioid painkillers have serious
10 risks?

11 MR. WATTS: Object to the form.

12 THE WITNESS: They're
13 FDA-approved products. And as a
14 pharmacist, I would use professional
15 judgment, follow the law, determine if
16 it's appropriate therapy. That's how
17 I can answer that.

18 Q. (BY MR. ECKLUND) Well, an
19 FDA-approved drug can have risks and
20 benefits, though; correct?

21 A. Whether it's an opioid or not,
22 there are risks to medications.

23 Q. Okay. So can we agree that
24 prescription opioids, while FDA-approved,
25 could also have serious risks?

1 MR. WATTS: Objection to form.

2 THE WITNESS: They could.

3 MR. ECKLUND: Okay.

4 Q. (BY MR. ECKLUND) Do you recall
5 when you attended pharmacy school learning
6 about morphine as a drug?

7 A. I'm sure I did. I don't
8 remember the specifics.

9 Q. Do you recall studying or
10 learning about heroin?

11 A. I recall studying and learning
12 about all drugs.

13 Q. Okay. So you recall studying
14 all drugs, and that would include morphine,
15 heroin, cold medications, the whole panoply
16 of drugs that are available?

17 A. In general, yes.

18 Q. Okay. Do you recall learning
19 about prior opioid crises in U.S. history?

20 A. I don't recall.

21 Q. Those in the early 1900s, those
22 in the 1960s, those that predated the
23 implementation and development of the
24 Controlled Substances Act in the 1970s?

25 A. I really don't recall

1 specifics.

2 MR. ECKLUND: I have no
3 additional questions for you today. I
4 really do appreciate you taking the
5 time, and I hope you get home safe.

6 THE WITNESS: Thank you.

7 MR. CARTER: I just have a few
8 quick questions. We can keep our
9 seats and I won't make anyone miss a
10 flight.

11 CROSS EXAMINATION

12 BY MR. CARTER:

13 Q. So we'll start with where we
14 just left off. You were asked some questions
15 about an Arkansas online news article.

16 Do you recall that?

17 A. No.

18 Do I recall seeing it? Yes.

19 Q. Okay. And, yes, had you ever
20 seen that article when it actually came up?

21 A. I did not.

22 Q. You were asked if you recalled
23 as a buyer ever purchasing, you know, very --
24 there was a list of specific opioids in that
25 article. Do you recall that question?

1 A. Yes.

2 Q. During the time that you were a
3 buyer, did you make purchases across the
4 pharmacy portfolio generally?

5 A. Yes.

6 MR. ECKLUND: Objection.

7 Q. (BY MR. CARTER) Was the
8 purchase of controlled substances a major or
9 minor percentage of the overall pharmacy buys
10 that you made?

11 A. Minor.

12 Q. Would your purchases of
13 controlled substances include controlled
14 substances other than opioids?

15 A. Yes.

16 Q. Were opioid purchases a -- some
17 subset of your controlled substance
18 purchases?

19 A. Correct.

20 Q. Sitting here today, do you
21 remember some of the pharmaceutical products
22 that you purchased most regularly during your
23 time as a buyer?

24 A. I purchased in the diabetes
25 category, and men's health, women's health,

1 like oral contraceptives. Those are the
2 three larger categories that I purchased.

3 Q. I want to switch gears. If I
4 could get Exhibits 15 and 16.

5 So you were shown Exhibit 15,
6 which is a three-page document, and it was an
7 email that you had sent to yourself dated
8 December 28, 2006. Do you see that?

9 A. Yes.

10 Q. And then you were asked
11 specifically about the attachment, which was
12 a signed agreement with Ethex for morphine
13 sulfate. Do you recall that?

14 A. Yes.

15 Q. Being asked about that?

16 A. Yes.

17 Q. All right. Then you were
18 shown, in Exhibit 16, an FBI press release
19 about the Ethex Corporation. Do you recall
20 being shown that?

21 A. Yes.

22 Q. Okay. Now, I want to ask,
23 the -- what's the date of Exhibit 16?

24 A. March 2010.

25 Q. And the -- one of the

1 paragraphs that counsel asked you about was
2 the second paragraph. And is there a date
3 referenced in terms of this manufacturing
4 complaint?

5 A. May 7th to 8th of 2008.

6 Q. Now, if you look at the
7 agreement that you had with Ethex, what's the
8 date of that attachment?

9 A. December 27, 2006.

10 Q. And do you recall, in the FBI
11 document counsel showed you, there was this
12 discussion of two complaints reporting the
13 discovery of oversized morphine sulfate
14 tablets.

15 Do you recall being asked about
16 that?

17 A. Yes.

18 Q. And do you recall being asked
19 whether if there had been a manufacturing
20 problem regarding oversized pills, if that
21 was something that hypothetically would be
22 important to you.

23 Do you remember that question?

24 MR. ECKLUND: Objection.

25 THE WITNESS: Yes.

1 Q. (BY MR. CARTER) In the
2 agreement that counsel showed, what is the
3 product that that is for?

4 A. This is morphine sulfate oral
5 solution.

6 Q. Is an oral solution a tablet?

7 A. No.

8 Q. Did counsel show you any
9 document that you ever ordered an oral -- or
10 excuse me, did counsel show you a document
11 reflecting a contract to order morphine
12 sulfate tablets during the time period where
13 there was this complaint of manufacturing
14 defect?

15 A. No.

16 Q. Okay. You can put those aside.
17 You were shown a document on
18 the screen that was a CDC chart that talked
19 about total daily dose.

20 Do you recall being shown that?

21 A. Yes.

22 Q. And you were asked if you had
23 considered that data and done that during
24 your time as a buyer.

25 Do you recall those questions?

1 A. Yes.

2 Q. Do you know what the date of
3 that CDC document was?

4 A. I don't remember the date.

5 Q. Do you know whether that was
6 even available in that form during that time
7 that you were a buyer?

8 A. I do not.

9 Q. You were asked some
10 questions -- the last topic I want to cover.

11 You were asked some questions
12 about the \$4 generic program that Walmart
13 ran. Do you recall those?

14 A. Yes.

15 Q. Okay. To the best of your
16 knowledge, did the \$4 generic program include
17 controlled substances of any kind?

18 A. It did not.

19 Q. Okay. And so it would not have
20 included opioids?

21 A. Correct.

22 Q. Okay.

23 MR. CARTER: I have no further
24 questions. Thank you.

25 * * *

1 REDIRECT EXAMINATION

2 BY MR. ECKLUND:

3 Q. Just a few to clean up.

4 The morphine milligram
5 equivalent calculation, whether on the CDC
6 charts or found anywhere else, that's a
7 conversion based upon chemistry; correct?

8 A. Correct.

9 Q. And that conversion has not
10 changed based upon publication or the
11 issuance of the CDC's guidance or any other
12 publication. It's something that has been
13 and will remain for all days the same.
14 Hydrocodone relative to oxymorphone is so
15 strong. Oxymorphone is so strong relative to
16 morphine. These are conversions. It's based
17 on mathematics. Is that fair?

18 A. That's correct.

19 Q. So there's nothing about that
20 CDC chart that you couldn't have incorporated
21 in an arithmetic row and column on an Excel
22 chart?

23 A. Could have. We just didn't do
24 it in the role as a buyer.

25 Q. Okay. Thank you.

1 In connection with the Ethex
2 Corporation document that counsel just
3 forwarded back to you, you correctly noted
4 out that this described oral solution and
5 that describes tablets; correct? Throughout
6 the day we've been talking about a number of
7 contracts. And you have not been able to say
8 definitively whether you did or did not
9 purchase any one of various drugs from any of
10 the manufacturers for whom I've talked to you
11 about, whether it was Endo, Mallinckrodt or a
12 variety.

13 Do you know, sitting here
14 today, that Walmart never purchased morphine
15 sulphate tablets from Ethex Corporation in or
16 around 2008?

17 A. I don't know that.

18 Q. The article that I showed you
19 from the internet from Arkansas, I didn't
20 represent on the record that you had read it.
21 But I did want to show you numbers specific
22 to Arkansas.

23 Do you have any reason to
24 believe that any of the numbers found in that
25 article are inaccurate and incorrect?

1 MR. CARTER: Form.

2 THE WITNESS: I don't have any
3 reason. I don't have -- one way or
4 the other.

5 Q. (BY MR. ECKLUND) Would it make
6 you feel more comfortable if I went on to
7 another website and pulled the original
8 source materials from the CDC to show you the
9 same numbers?

10 A. I don't really understand what
11 you're asking.

12 MR. WATTS: Object to the form.

13 Q. (BY MR. ECKLUND) When the
14 document referenced this many people losing
15 their lives in 2016, or that many number in
16 2015, or this many per capita prescribed
17 pills for a county within a given year, are
18 you in any -- for any reason at all concerned
19 about the numbers as reflected in that
20 article being inaccurate? Do you need some
21 assurance that they're accurate?

22 A. There were references, I
23 believe, on where that information came from.

24 Q. And whether or not the article
25 is the source or the origin, or some other

1 materials were the source or the origin, the
2 purpose of the article was just describing in
3 general that you and others within Walmart
4 weren't looking at the county level. You
5 weren't looking at the state level. You were
6 looking at the national level.

7 So whether I got you those
8 numbers from Arkansas, from the county, from
9 a hospital, from the CDC, from the Department
10 of Justice, from the DEA or from any of the
11 suppliers, it wouldn't have changed anything
12 because you weren't looking at those things.
13 You were looking at it at the national level;
14 correct?

15 A. During the time that I was a
16 buyer, that is correct.

17 MR. ECKLUND: Thank you. No
18 further questions.

19 MR. CARTER: We'll read and
20 sign.

21 THE VIDEOGRAPHER: We are going
22 off the record at 4:11 p.m.

23 (Proceedings recessed at 4:11
24 p.m.)

25 --o0o--

CERTIFICATE

STATE OF UTAH)
) ss
COUNTY OF SALT LAKE)

THIS IS TO CERTIFY that the testimony of JOLYNN COLEMAN, the witness in the foregoing cause named, was taken before me, DEBRA A. DIBBLE, a Registered Merit Reporter and Certified Realtime Reporter and Notary Public in and for the State of Utah, residing at Woodland, Utah.

That the said witness was by me, before examination, duly sworn to testify the truth, the whole truth, and nothing but the truth in said cause and the testimony of said witness was reported by me in Stenotype, and thereafter caused by me to be transcribed into typewriting, and that a full, true and correct transcription of said testimony so taken and transcribed is set forth in the foregoing pages numbered from 4 to page inclusive, and said witness was examined and said as in the foregoing annexed transcript.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof. I further certify review of the transcript was requested.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of December, 2018.

Debra A. Dibble; RDR, CRR, CRC

1 INSTRUCTIONS TO WITNESS

2
3 Please read your deposition over
4 carefully and make any necessary corrections.
5 You should state the reason in the
6 appropriate space on the errata sheet for any
7 corrections that are made.

8 After doing so, please sign the
9 errata sheet and date it.

10 You are signing same subject to
11 the changes you have noted on the errata
12 sheet, which will be attached to your
13 deposition.

14 It is imperative that you return
15 the original errata sheet to the deposing
16 attorney within thirty (30) days of receipt
17 of the deposition transcript by you. If you
18 fail to do so, the deposition transcript may
19 be deemed to be accurate and may be used in
20 court.

	ERRATA		
	Page	LINE	CHANGE
1			
2			
3	_____	_____	_____
4		REASON:	_____
5	_____	_____	_____
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24		REASON:	_____
25			

1 ACKNOWLEDGMENT OF DEPONENT

2
3
4 I, JOLYNN COLEMAN, do hereby
5 certify that I have read the foregoing pages
6 and that the same is a correct transcription
7 of the answers given by me to the questions
8 therein propounded, except for the
9 corrections or changes in form or substance,
10 if any, noted in the attached
11 Errata Sheet.
12

13 _____
14 JOLYNN COLEMAN

DATE

15 Subscribed and sworn to before me this
16 _____ day of _____, 20 ____.

17 My commission expires: _____
18
19 _____

20 Notary Public
21
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1	LAWYER'S NOTES		
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3	page	LINE	
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